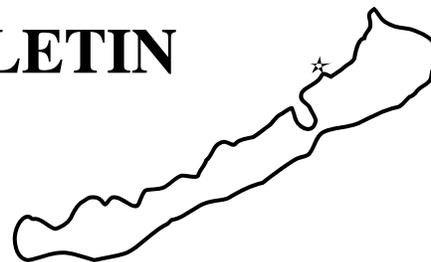


THE BALATON BULLETIN



Newsletter of The Balaton Group

SUMMER 1999

TABLE OF CONTENTS

The Last Meeting of the BGAU	2
Vision is Hard to Talk About: A Balaton E-Mail Discussion	4
Roefie Hueting's Perpendicular "Demand Curve" and the Issue of Objective Value by Herman Daly	11
Vision and Systems and Eroding Goals by Dana Meadows	17
The Discipline of Building Shared Vision by Peter Senge	21
Bob's Vision of a Sustainable World by Bob Wilkinson	24
We are the Capitalists. You Will Be Assimilated. Resistance is Futile a book review by David Korten	26
Notes from a Journey to Macedonia by Paul Hawken	32
Announcements	38
News from the Members	38
Some Vision Exercises by Dave Ellis	42
Sustainability is an Infinite Game by James P. Carse	43

The Last Meeting of the BGAU

The INRIC Steering Committee and the New Hampshire administrative team (**Dana Meadows, Dennis Meadows, Betty Miller**) announce with a poignant mixture of sadness, curiosity, and excitement that the 19th annual gathering in Csopak this year will be the last meeting of the Balaton Group As Usual (BGAU as the modelers would say). The fall *Bulletin* reporting on that meeting will be the last *Balaton Bulletin*, in the form to which we are accustomed.

The people who have held the Balaton group together (insofar as it can be said to have been held together) have been warning for some time that their ability to do so was going to come to an end. Several sources of guaranteed funds have expired. Sufficient new sources have not appeared. Other projects and the need to work for pay are absorbing the attention of the traditional coordinators. And — as the Steering Committee has been discussing for several years — it's time for renewal. Every human organization, even one as determinedly unbureaucratic and self-organizing as the Balaton Group, needs to reinvent itself periodically.

The strong web of personal and professional friendships that the Balaton Group has woven will not disappear; it will be the structure out of which Whatever Comes Next will arise. The Steering Committee would like to encourage creative thinking and leadership from all Balaton friends to determine What Should Come Next. (This is an exercise in vision!) We would like people to come to this meeting, to comment on the email list, to be ready to do whatever they can to bring into being the BGNAU (Balaton Group Not As Usual) or NMBG (Next Manifestation of the Balaton Group).

What is needed to empower and link the great people and institutions around the world who are already working to create a sustainability revolution?

How can the whole add up to more than the sum of the parts?

How can existing leaders be strengthened and new leaders be encouraged?

How can holistic, systemic ideas, long term commitments, values of sustainability and sufficiency and fairness become the drivers of the public consciousness, the thrust of technology, and the foundation for policies of organizations at many levels?

As has always been the rule in the Balaton Group, if there's something you think needs to be done to achieve our common goal of sustainability (in the largest, deepest interpretation of that word), you take the lead. Tell us what you are prepared to do, and call on us for help. None of the current administrators of the Group intend to stop participating; only to stop administrating.

If nothing else happens, the participants of the Balaton Group will continue doing their good work in the world, held together by the friendships and ties that have arisen over our years of meetings at Lake Balaton. The many initiatives, centers, publications, and projects that have arisen out of those relationships will continue. The program of this last BGAU meeting, centered on vision, will be a perfect opportunity to look into a sustainable future — for the Balaton Group and for the world — and see how we can bring it into being. Hence we have titled the meeting (with thanks to **Alan AtKisson**) “FUTURE PERFECT.” Here is its tentative schedule (subject to changes between now and September):

The Nineteenth Annual Balaton Meeting

FUTURE PERFECT

Wednesday, September 8

Systems Day participants arrive Budapest and Csopak

Thursday, September 9: Systems Day

Optional session, led by **Dennis Meadows**

Remaining participants arrive Budapest and Csopak

Buffet supper

Introductions Around the Room.

Friday, September 10: Overview, Energy, Climate

Dana Meadows (Sustainability Institute and Environmental Studies Program, Dartmouth College USA)

— The Vision and the Actuality of the Balaton Group

Marius de Geus (University of Leiden, the Netherlands)

— Ecological Utopias

Niels Meyer (Department of Buildings and Energy, Technical University of Denmark)

— A Green Energy Plan for Europe

Christopher Flavin (Worldwatch Institute)

— Energy for All, Stable Climate

Saturday, September 11: Water, Forests, Food

Joe Alcamo (Environmental Systems Analysis Group, University of Kassel, Germany)

— A Whole World With Enough Water! (A Top-down Scenario from the World Commission on Water)

Gerardo Budawski (University for Peace, Costa Rica)

— A Vision for the World's Forests

Henk Moll (Center for Environment and Energy, University of Groningen, the Netherlands)

— FOOD: an Ecological, Economic and Social Ingredient of a Sustainable Culture; Status Quo, Trends and Blueprints with Regard to the Ecological Effects, the Economic Significance and the Social Meaning of Food Consumption.

Sunday, September 12: Cities, Economics, Trade

Peter Wiederkehr (OECD, Environmentally Sustainable Transport Project, Paris, France)

— A Vision for Transportation

Jonas Rabinovitch (UNDP, New York and Curitiba, Brazil)

— The Story of Curitiba and A Vision for the World's Cities

Dana Meadows (Sustainability Institute)

— Using Modeling to Make Commodity Systems Sustainable

Hilary French (Worldwatch Institute)

— A World Trade Regime in which People, Communities, and the Environment Count

Monday, September 13: Education, Mindsets, Culture

Chirapol Sintunawa (Faculty of Environment and Resources, Mahidal University, Bangkok)

— Educating Thailand about Sustainability

Mathis Wackernagel (Redefining Progress)

— Understanding and Living in a Sustainable Ecological Footprint

John Peet (Dept. Of Chemical and Process Engineering, University of Canterbury, Christchurch, New Zealand)

— Visioning Down Under - the Canterbury Dialogues Project

Alan AtKisson (AtKisson Associates)

— A Culture of Sustainability

Tuesday, September 14: Balaton Business and Balaton Visions

Bert De Vries, Wim Hafkamp, and Dennis Meadows

— the "South of France Training Center"

Aromar Revi (TARU, New Deli)

— the Shola Fellowship

Joan Davis (ARC)

— ARC

Dana Meadows

— Bringing the Vision of an Eco-village into Being

Other speakers or group process as necessary to open our vision to the future of the Balaton Group

Vision is Hard to Talk About: A Balaton E-Mail Discussion

From: **Donella.H.Meadows@DARTMOUTH.EDU**
Sent: May 28, 1999

Dear Balatoners,

I need your help to prepare for this year's important meeting on Constructing a Green Vision. You can help whether you plan to come to the meeting or not. You can especially help if you come from a non-Western culture (though you Westerners are needed too).

We'd like to construct a global vision, not an English-speaking one, not a scientist-based one, not an upper-middle-class one, not a middle-aged or young or old one, but all of the above and more. We are wondering what all kinds of people would answer, if they were asked, in their language, respectfully, encouragingly — **“When you think about a future world you would REALLY WANT to live in, or want your children and grandchildren to live in, a world that is JUST WHAT YOU WANT (not what you think will happen, not what you are willing to settle for), what does that world look like?”**

For example, here are some answers I got when I began to ask that question up and down the hall of the building where I work:

Henry Minde of the Saami people of northern Norway — “Peace. Harmony. Specifically for the Saami region, and also for other northern regions. Respect for the indigenous point of view, so that resources are not destroyed. Especially fishing resources. Fishing would be with small boats only and with traditional respect for the long-term good of the resource. If there must be struggle against the big trawlers, then the indigenous people should have at least an equal ability to wage that struggle.”

Chrystal Buell, administrative assistant, Sustainability Institute (a French national, living for a long time in the United States)

— “The world would go back to the one I grew up in, with less violence and better education. There would be peace -- I wouldn't have to worry about sending my son off to Kosovo. Everyone would have enough food. Families would be supported, so the kids wouldn't grow up crazy and violent. I am not asking for a completely homogeneous world. I still want countries, smaller units at a human scale. All people would be educated about their environment and how to keep it sustainable, and they would be able to do so because they would have reached a basic threshold of well being.”

Nicki Maynard, office manager, Institute of Arctic Studies
— “It's not the world, it's the people. They would be emotionally mature as early as possible and intellectually mature. Families would really care about their children, really show them love, and act as good examples and make the family into a team for their daily living — along with independent outside lives. They would build self-esteem, express their love out loud. People would grow up productive, emotionally sound, able to make decisions, not able to be manipulated, feeling inner peace, not subject to addictions to escape daily concerns.”

I should add that it took awhile to solicit these answers. My experience has been that people are floored at first by the question of what a perfect world would be like. They hardly know where to start. So I ask them to start close to home, with their own children, home, town, region. Sometimes I have to gently encourage them not to go off into telling me why what they want will never come to be. That's not the question. The question is: what do you want? I find that most people love answering that question, once they feel they really have permission to answer it!

So here's what I ask of you:

1. Please translate the question into your own language, in a way that communicates to the people around you. **“When you think about a future world you would REALLY WANT to live in, or want your children and grandchildren to live in, a world that is JUST WHAT YOU WANT (not what you think will happen, not what you are willing to settle for), what does that world look like?”**

2. Please ask that question to 5 or 10 people, and make those people as varied as you can. A clerk in a shop. Your mother. Your bus driver. Your janitor. The richest person you know. The oldest person you know. A teen-ager. A teacher. The person who cuts your hair. (You get the idea.) You can ask more than 10 if you like — no upper limit — I think you'll find this is fun! Get your students or colleagues to help, if you like.

3. Please write down **WHATEVER** response you get. If it's a refusal to answer, write it down and try to find out why. If it's total incomprehension, the same. If it's a pouring forth of a fully detailed vision, catch as much of it as you can. (Please make a note of what “sort” of person is giving you each response — male, female, approximate age and income level, occupation if you know it, etc.)

4. If you DON'T get a visionary answer — for example, if you get a lot of reasons why “what you want” could never happen — please gently persist if you can — “but if it COULD happen, what would you WANT the world to be like?” If that doesn't work and the question is brushed away, that's also an interesting result; please try to record the reasons for it.

5. Please send your responses to me to compile. both for the Balaton meeting and for the *Balaton Bulletin*. I'd also be interested in anything you want to write to me about your own thoughts or reactions to the exercise, including why you think it might be stupid.

6. Please just try a few people and see what happens. This is important. Trust me.

* * *

From **Anupam Saraph** <saraph@giaspn01.vsnl.net.in>
Date: Mon, 31 May 1999

For me a vision has often been the north star that guides; helps make choices, motivates action.

I think it is a TERRIFIC idea to make people think about the world they would love to live in. I feel most of us do not. We take the world as a given. You have provoked me to spread the question to a wide audience. I will compile the responses and mail you once they are compiled. I would remove the word future from the question. That way it seems much closer to action and perception.

My own immediate response to the question:

A world where EACH being can be enabled to play his or her role. I do not know if we can ask for more without being anthropocentric or even self-centered? Does it boil down to respect for that which is? I guess that is one quality ... Does it amount to love? I am sure that is needed. Does it require oneness with nature? Could it work otherwise?

* * *

From: **Flachner Zsuzsanna**
<flachner@OKK.SZAMALK.HU>
Date: Mon, 31 May 1999

I think if you would like to have reasonable information out of this question it should be more oriented. (However sometimes a totally open question can be very useful). I think the idea is great, but already we have done it on small regional scale and people were totally not aware how the wording could be.

Our local experience showed that the values which are values for us are not values — in words — for simple countryside people. Though they are key persons in suffering from decisions which are from people who can word it up, but never give something for it.

* * *

From **Bishan Singh** <bisans@PC.JARING.MY>
Date: Tue, 1 Jun 1999

On behalf of the Management Institute for Social Change(MINSOC) I am doing a similar visioning exercise but for key development trends for the next millennium. Even school children participated in this exercise. The preliminary findings are interesting and encouraging.

Let me share a quick concern on the term “Constructing a Green Vision.” Many “development practitioners” in Asia associate “green vision” with a Western initiative of protecting the environment without consideration of the struggle for survival experienced by many communities in developing countries. One community leader once told me that he cares for the environment more than anybody else. They do not talk about it because they do not enjoy the luxury of a “full belly.”

Another practitioner working in a rural community told me that she is concerned that the “twenty percent of the world's population that consumes eighty percent of the world's resources” are asking the “eighty percent of the world's population surviving on twenty percent of the world's resources” to practice green development. According to her the issue is about “equitable development,” not “green development” If the over consumers consumed less, improved equity in resource sharing, and transformed our capital-centered profit -making approach to a people-centered sustainable approach, it will guarantee the ecological health of the planet.

A third view I have heard is that the ruling class of countries, including the developed world, are an extension of the business community. Business has de-linked politicians from governance and linked them to business. They have transformed their role from statesperson to “business diplomats”. When Mr. Clinton went to China, it was to promote bi-lateral relations on business more than green development or the welfare of the people. It is also the same with my Prime Minister. They all have become the CEOs of their respective nations. Any “green vision” cannot ignore the pervasive role of business as the emerging global power.

The farmers and indigenous people in resource poor areas in Asia with whom I work always talk about the earth

as “Mother Earth” that gives sustenance and supports life. They consider themselves and all other life forms as children of Mother Earth. This may be primitive thinking but without reverence for nature and being sensitive to our core feelings and inner spirit, it is difficult to come to terms with our uneasiness that things are not right.

I have learned from them the Vision that we are One Earth Community, living in harmony, interconnected with one another, enjoying the fruits of the earth and all her wisdom and blessings. We recognize the diversity of ourselves, races, languages, faiths, traditions and cultures which converge at the depths of our humanity. We aspire to become more humane. We accept diversity as an operating principle of sustainability, tolerance, understanding, goodwill and peace. We have one common origin and destiny. We are interdependent. We have rights and responsibilities. As caretakers of our earth our sacred task is to ensure harmony and balance. Everything we do has to be infused with moderation, love and spirituality. It is the web that connects us.

* * *

From: **Vicki Robin** <newroadmap@igc.org>
Date: 3 Jun 1999

I resolutely walked into town to ask “the question” but found myself feeling reluctant to put people on the spot. I think a casual survey isn’t the way to get at this. We will get platitudes, unconsidered responses (if you actually had what you say you want, would you want it?) and reactions to what people don’t like about the present. I agree that vision is ESSENTIAL, but the process of creating it may need to be different.

One suggestion is for you to look at Dave Ellis’ book, *Creating Your Future*, because he has some very good ways of going about the visioning process. Here are a few early morning thoughts before I go back upstairs to write.

1. Have Balaton members write 100 responses to “what do I want in the future.” These can be blue sky, brainstorm mode. Doing 100 will get us past the “I want peace,” “I want no pollution,” top of the head notions. Doing them fairly quickly will get past the terrible demons of doubt.

2. Repeat this exercise, but have them be goals for the year 2100 or 2200. Again, do this with no concern for how this future will come into being.

3. Perhaps do it again with a list of aspects of life as we know it (mobility, communication, entertainment, leisure, etc. — possibly use Manfred’s list of needs and satisfiers...) and ask people to write several visions for each aspect.

4. Then take 3-5 visions/goals that really sing and ask how they might come about, both through individual agency (what can I do to make it happen) and also where in the collective mess of institutions I can/we can press for change.

5. Maybe ask where these visions are already showing their face and how Balatoners can strengthen these efforts.

6. I also think it would be interesting to explore whether we are all really on the same page... There are philosophical differences re whether humans can evolve and are evolving towards the divine. Perhaps these underlying differences need to surface at Balaton, because they might be hindering synergy.

7. One of my projects here is to write an introduction for a book of stories re people who have chosen simplicity. I find myself very inspired and at the same time wondering what these folks do to be naughty. Doesn’t visioning require that we look at how the 7 or more deadly sins play out in our lives? Mathis and I have often talked about the need for a bit of evil among the garden of goodness.

* * *

From **Herman E. Daly** <hd22@umail.umd.edu>
Date: Thu, 3 Jun 99

Unfortunately I can’t make it to Balaton this Sept. , but I do have some thoughts to share with you on the vision project. It occurs to me that the difficulty we face in this effort is closely related to a bee that has been in my bonnet for a while now. The problem I see is that vision is frankly teleological — it asserts or at least implies the causal efficacy of purpose in the real world. A vision of a desirable future functions as a lure, a pull toward itself. For the lure to be effective, like magnetic north, it has to embody real and objective value — not just subjective preferences of individuals.

I strongly believe in the causal efficacy of purpose as well as objective value, and it is a source of dismay to me that many others do not. Before we can save the biosphere, we will have to save the idea of purpose itself, or at least free it from the bondage in which it has been held by neodarwinists for so long. Even those scientists who are too honest to deny the reality of purpose are nevertheless rendered half-hearted and feeble by the inconsistency between their personal life and the basic assumption of their science. It is hard to get excited about visions of a desirable future if you even half believe that purpose is an illusion.

Economists are not the only ones unwilling to reconsider their assumptions. So far unwillingness to re-

examine this assumption of neodarwinism comes mainly, I suspect, from fear of being thought a religious nut, a biblical literalist, etc. Your vision project will encounter this problem I am sure.

* * *

From: **Gillian Martin Mehers** <Gillian@lead.org>
Date: Thu, 3 Jun 1999

I have received the following responses from my LEAD colleagues. I have given the names, nationalities and programs of the people responding.

Crystal Sanford, American, LEAD International

I would like a world without color barriers, war or poverty.

Lisa Cavanaugh, American, LEAD International

I would like to see metropolitan areas squeezed into discrete areas, suburban sprawl to stop spreading, and areas beyond the suburbia and cities to be green. The green area should be filled with wooded lands which are left untouched by mankind. The towns and villages in the remote areas should be small and well spaced out, without fast-food restaurants, strip malls, and industrial plants. If these things do have to exist, keep them hidden behind land and trees.

Tara Zampiva, American, LEAD International

I'd like to live in a place where the Information Age has benefited me - has given me the tools necessary to ask questions and learn. However, I also want to be able to turn that computer off, not answer the phone, not view the TV and turn down the radio - sit with my family in the back yard to enjoy a BBQ and talk about the baseball game I saw last week.

But before I attended the game, I was able to read about the team stats at <http://Yankees.com>, and I was able to view a video on the CNN sports page, and I wrote an e-mail to a friend in Honduras to tell him about the upcoming series. When I think about the futuristic world I'd like to live in, I'd like to be able to describe it in those terms.

I'd want my kids to be able to do as much with the baseball game on-line as they would with a science project, an opportunity to travel overseas, or learning a new skill - but as I ATTENDED the game, they would also have to DO the science project, VISIT the overseas place, and DEVELOP the new skill to achieve the proper balance.

Mujia Chen, Chinese, LEAD International

First of all, a fair economic order should be established to assure that the wealth be more fairly distributed among the population. Second, globalization must be em-

braced in a way that diversity of world culture and value be protected. Otherwise, we may jeopardizing our culture heritage of thousands of years. Thirdly, the world should be governed by a peace loving government that is responsible for the welfare of all the people. (Honestly I don't think this is possible with the lack of economic equality.) Lastly, excellent education to the majority of the population should be available with the assistance of Information Technology. An educated world population perhaps is the core for the achievement of global equality in economy, culture and governance

M.S. Kismadi, LEAD-Indonesia

I am very much influenced by the distressing events that I am witnessing in my own country where our present world and our sense of community seem to be falling apart. We cannot explain, not even to ourselves, what has happened to us but, whatever it is, we hope that it will not happen to our children . Therefore: "A world where people do not fear the future despite their awareness that it will always hold many uncertainties. A world where people do not fear change despite their awareness that they might have to acquire new attitudes and new habits of the mind, over and over again."

Obviously such a world would have to be "green" as it must be sustained by the environment which, in turn, must be sustained by us.

Li Lailai, LEAD-China

Peace
Equity (in life chance)
Healthy
Harmony with nature
Trusting & tolerating

C.K. Varshney, LEAD-India

A world without hunger and where everyone has equal and unrestricted opportunity to grow and prosper. A world run on solar energy and renewable resources with clean rivers, pure air, lush forests and teaming biodiversity which is used innovatively to meet the various material needs of mankind on a sustainable basis. Population stabilization within the carrying capacity and efficient and effective recycling and reuse of natural resources to meet all the legitimate needs of the population. The governance of such a world should be decentralized and should encourage innovative thinking and promote local talent. Free from war and cross-border disputes.

Donna Chiarelli, LEAD-Canada

This is really tough.

I would like to see a world that puts people and the environment first, where each individual, male or female, is nurtured and loved from the time he or she is born. I would like all people to be given the tools and resources

to develop in ways that reflect their own unique strengths and interests. I would like to see a world in which people celebrate and respect diversity of race, religion, culture and ways of living, and that brings out individual and community-wide creativity. It would be a world where we understand and know how to deal with our limitations in exploiting the world's natural resources. All people would recognize and accept that our own behavior and the way of life we choose must inherently respect the delicate ecosystem that gives us life.

* * *

From: **Melita Rogelj** <melitarogelj@hotmail.com>
Date: Thu, 03 Jun 1999

At the LEAD graduation session in New York City in April, I decided to survey my fellow LEADers about their thoughts on the following questions:

1. What is your vision of a sustainable society?
2. What needs to change for this to happen?
3. What do you see as your role in the creation and realization of this vision?

Being overwhelmed was a common feeling that I encountered. My colleagues seemed exhausted by all the challenges and problems that we are dealing with. But during the graduation session, we had a couple of speakers tell us about the importance of vision. This inspired me to make up a written questionnaire. I had written up several conversations, but a number of people that I talked to said that they would like more time to think about their replies. A few people later requested to e-mail me their responses.

It was interesting to watch something that started as a simple idea, something that I thought would be enjoyable and easy to talk about, turn into a more complicated venture. People wanted to engage more deeply with the questions and take more time to reply. I presumed that the questions were straightforward and would not take more than 15 minutes to answer. Later I realized that there was much more going on.

When I e-mailed out the questions to the LEAD listserv, I gave a two week deadline for replies. I found less than 10 replies at the end of the two week period. As I had previously done a similar survey with the Balaton Group listserv, I was not surprised by the low response rate. But it prompted me to think about why it is so hard for many of us to say what would we like to see, have, or do in the future. Is it because we are afraid to assume the responsibility that what we say is what we may get? Or is it because we are shy about our dreams?

The questionnaire was given to a very international group, and the replies that did come in came from many countries/regions, so there are no obvious cultural factors at work. There seems to be a commonality in the way most of us are taught to think. Also, the media are now pretty much global.

I believe that there is something else in our hesitation to talk about our visions — something very important. One part of it is that we have allowed the media to tell us our visions (tell-a-vision!). In a way we are consuming our visions, rather than creating them.

I believe that another part of the problem is connected to issues of empowerment. It seems that a majority of us have lived most of our lives responding to events and stepping into a future that is already set up by others. I think this impacts our world drastically. How do we reach a destination if we can't or won't even say what it is?

I did not get the results I had hoped for, but I have learned much about how difficult it is to mobilize people to freely imagine possible futures — in essence, how to claim responsibility for creating a future we desire. I have learned that visioning is a very important skill that will take some time to be learned.

Following are some replies from my associates. It was a great inspiration for me to read them and I hope they will be as enjoyable to others. I understand that sharing visions can be very personal and there are many layers of vision in everyone's life.

1. What is your vision of a sustainable society? (in 50 words or less)

- People are concerned about the environment and are actively taking care of it.

- Society contains justice, equity, fairness at all levels. The rate of consumption is sustainable in terms of resource use and waste assimilation.

- Along with traditional elements of sustainability (like sustainable resource use) a very important thing is change of values. People are not owners of the "truth," therefore a tolerance of diversity is necessary.

- It is the kind of society that I feel great joy, fulfillment and a sense of meaning and purpose in being part of it.

- A society that has equal distribution and more equality, cooperation for working together with common goals and value for maintaining cultural differences.

- The society has an environmental and social awareness at all levels.

- The society has a slower pace and the growth paradigm is not dominating.

- There is a greater emphasis on direct communication between friends. Friendships have priority over work. We have a greater understanding and feeling for nature. This society has a responsible media. There is a creative way for implementing and developing new technology that is based on sustainable use of resources.

- Simply put a sustainable society feels it is responsible for the well being of the entire world and not only its own. It is altruistic enough to approach problems with some enlightenment and considers sacrifices of pleasures as a possible option. It should price resources properly and use them wisely.

-A society with an active respect for the planet and its inhabitants. We keep at the front of our minds that looking after the planet is good for us and in our own personal interest.

- A society where every living being, not just humans, has enough, not too much or too little, for a life without strife or war, where a sense of security governs the quality of life of every individual.

- Earth has perhaps 2 billion human inhabitants living in democratic nations and practicing democracy in workplaces and communities. National and international institutions promote peace and equity . The use of renewable energy predominates; toxic emissions are almost negligible due to use of eco-technologies. World forest cover has increased over 1999 levels and ecosystem health is being restored. The diversity of human culture is retained and strengthened through widespread artistic expression and celebration. War has been eliminated due to advanced problem solving skills by people acting collectively.

- A sustainable society implies calm and security to follow your chosen path in life. It needs all people to contribute to development of the society in a manner which does not tamper the participation and progress of other persons.

* * *

From: **Anupam Saraph** <saraph@vsnl.com>
Date: Tue, 8 Jun 1999

I do not remember if I've mentioned the two city-wide visioning exercises we did earlier: one for the city's traffic and another for the river.

The common vision of traffic in the city evolved by the participants in the traffic exercise: 15 MINUTES TO ANYWHERE (in the city).

This is only possible with SMOOTH FLOWING traffic and therefore good road network designs. It is only possible if roads are safe. It is only possible if traffic densities are not excessive. It can be achieved using many different strategies, including improved public transportation systems. At least one important thing happened: the participants realized that all earlier traffic exercises were centered around infrastructure. Now they realized their shared vision was NOT roads, flyovers or vehicles. Nor was it AGAINST roads or vehicles. The focus shifted to safe, reliable and economical movement!

Pune's river systems (Mula and Mutha rivers) are sewers. Both the rivers are dammed upstream ,with the water released into a canal that runs parallel to the river 4 km away! Only when the dams overflow after rains in June to August or September does the river itself have large flows.

The river is thus dying, at best a gutter. Construction lobbies, industrial lobbies and their representatives are working to create a road on either side of the river, within the riverbed. The "development control rules" allow the construction of commercial and housing high rise structures next to a road within the riverbed.

We ran a visioning exercise with citizens two years ago. Their vision: a CLEAN FLOWING RIVER. The river projects are thus pressured to talk of cleaning before roads. They are pressured to talk of releases from the dams. After two years the visioning exercise has not managed to stall the roads completely, but it has managed to whip up a growing concern, an uproar about the murder of a river.

* * *

From: **Betty_Miller**@windsor.k12.vt.us
Date: Tue, 08 Jun 1999

Here are some responses I got from the vision question. I'll try to send more as I gather them.

Sharon Moehn, middle aged American book store owner in Arizona:

My first thought for a desirable future is along the lines of world peace, etc., and even more basic, that simply people have respect and time for one another.

Briane Pinkson, middle aged American nurse:

Here a few thoughts about my perfect world:
• people have learned to resolve conflict with words not arms,

- there is connection/respect/harmony with nature(i.e. no weapons, etc),
- diversity is honored not feared,
- everyone has the opportunity to reach their full potential,

Linda Westney, middle aged American student:

I want a world filled with love, peace and harmony. No abuse of our children, no hunger, no mean words for our fellows.

I also talked with a middle aged American male, a computer map-maker who's been dreaming about something for years. What he'd like to see (after removing various present transportation systems) is a transportation corridor from say Tallahassee, Florida to Albany, New York. It would include various levels of transportation from high speed rail to a trolley that would allow folks to hop on and off as they wish. Along this strip on each side would be 1/4 mile of development followed by a 15 mile buffer zone where no vehicles or development would be allowed. People can live and farm beyond the strip but would have to hike/bike/ride on horse the 15 miles to the city. Development would grow upwards — instead of commuting 10 or 20 miles to work, someone might commute 8 floors. The residential sections would be in the upper floors and everyone can look out their windows at nature. In addition, they can walk out into wilderness just beyond their homes and factories.

* * *

From: **Niels I. Meyer** <nim@ibe.dtu.dk>

Date: Mon, 14 Jun 1999

I have read with great interest most of the answers in relation to the questionnaire on the world we would like to live in. I have also discussed the use of this material for the BG meeting with Jørgen and Bert. We propose that Dana makes some kind of synthesis of the answers for a presentation at one of the morning sessions. The discussion can then be continued in the afternoon groups. We do not think that that the answers are original enough to carry a major part of the meeting. Most people like peace and want to avoid war. Most people seeks for love and harmony and close relationships. Most people are opposed to hunger and pollution, etc. It will not be so easy to make a contribution directly on these general statements that could make an impact on world (IPCC) policy. But we think that one may use the statements as an inspiration for further discussions at the meeting.

I have not answered Dana's questionnaire myself. My excuse is that I wrote a whole book on that subject twenty years ago (*Revolt from the Center*), and I find unfortunately that my visions from then are even more needed today.

* * *

From: **Vicki Robin** <newroadmap@IGC.ORG>

Date: Wed, 16 Jun 1999

At various meeting I've attended the subject of shared values has come up. Is there a set of values we share? We say Yes! but it would be interesting to test where the commonalities are and where the differences. Are there a preferred set of strategies we share? Some of us like working as change agents within the current system, some secretly (and not so secretly) want it to collapse so our more Utopian dreams can have a chance. Some like working on alternatives outside the system so that when the collapse comes, new structures are in place (and, if no collapse, at least we've had a happy life). Do we respect each other's preferred modes of doing our work? How can our "movement" contain contradictions in values and strategies so that we can synergize?

I remember so clearly my first Balaton meeting when Hartmut presented Scenarios A and B. Around the edges I heard conversations about "why isn't there a scenario C?" It led me to ask deeply, if we paint a picture of a sustainable world, will people (including us) want to live there? If not, what part of our human nature is not being included, does not feel welcome?

[Editor's comment] *Why is this assignment so easy, so much fun, for some people and so hard, so annoying, so embarrassing for other people? Why do some of us say "we need a change of values," while others say, "everyone wants peace, everyone wants an end to hunger and pollution, everyone wants love and harmony"? The very topic of vision, the outward expression of honest longing for a world of equity and sustainability and sufficiency and diversity, causes clear discomfort throughout our culture — including members of the Balaton Group. Why is that? What is so deeply disturbing, or trivial, or boring or embarrassing or difficult about expressing our true and most important desires?*

The difficulties the Balaton Group is having with this topic are more interesting, and perhaps more revealing than the topic itself. Much of the rest of this Bulletin attempts to analyze those difficulties.

Roefie Hueting's Perpendicular "Demand Curve" and the Issue of Objective Value

by **Herman E. Daly**

School of Public Affairs

University of Maryland

College Park, MD 20742, USA

(This is an excerpt from a paper presented by Herman at a Festschrift for the Dutch economist Roefie Hueting. Herman uses the words "purpose" and "value," but he is also talking about "vision" — the ultimate goal, the top of the triangle, the Good. He is doing something here that makes physical and biological scientists squirm; he is pointing to a blindness, a deep contradiction, in their professional worldview that is as unjustified and as harmful to society as some of the obvious blindnesses in the economics worldview. He is pointing to one of the fundamental issues that makes the discussion of vision so difficult!)

*If you hate this article, then you know what it feels like to have your paradigm questioned. You might use the resulting discomfort to ask, how do you **know** there is no such thing as objective value or purpose? Can you **prove** that? How can you discount your own inner direct experience of good and bad, of value, of purpose?*

If you love this article, be patient with your scientific colleagues, who are taking a hit right in the solar plexus of their worldview.)

I. Introduction

A logical difficulty in the technical problem of correcting national income for the loss of natural functions has led Roefie Hueting into a fundamental conflict not only with orthodox economics, but also, surprisingly, with the dominant assumption of Western culture since the Enlightenment. That assumption is the rejection of teleology, of final causation or **purpose**, as an undeniable part of the world in which we live. I do not think that Roefie Hueting was seeking such a conflict — on the contrary I think it makes him uneasy. But Hueting is relentlessly logical and honest — characteristics that often lead one to situations of conflict. Furthermore, all of us are involved in that conflict whether we are aware of it or not. It is not just Hueting's problem.

My task in this paper is to explain what I have just asserted. To do that I should begin with some words about the technical problem that has led to the philosophical confrontation.

II. The Technical Problem

The loss of natural functions or natural capital has traditionally not been recognized in national income accounting. Loss of environmental function has been an unmeasured reduction in both productive capacity and direct welfare. To account for this loss in true national income it is necessary to value natural functions in order to subtract the loss. This requires prices for natural functions, which in turn requires supply and demand curves. Hueting's supply function is the marginal cost curve of restoration of the natural function. His difficulty arises with the demand curve, which is unknown because markets for many natural functions do not exist, and even if they did, most interested par-

ties (e.g., future generations, other species) are not allowed to bid in the market.

Hueting's resolution of this dilemma is a perpendicular "demand curve", an expression of objective value, not individual preferences. The objective value is sustainability. This innovation entails a rejection of the dogma that individual subjective preferences are the sole source of value, and introduces **collective objective value** as an additional source.

Hueting has been led by the logic of practical problem solving into a rather basic conflict with the dogma that all value arises from private subjective preferences. He needs a perpendicular demand curve at a level of environmental exploitation that is sustainable in order to determine prices proper for the calculation of sustainable national income.

Income is by definition an amount of output such that its production during this year does not impair our capacity to produce the same amount next year. In other words, productive capacity must be maintained intact, there must be no net consumption of capital. Since we currently consume natural capital without deducting it, our calculation of national income is erroneous both by the quantity of natural capital consumed and by the price distortions caused by its drawdown. The condition of ecological sustainability has to be imposed in some way before one can calculate national income true to the very concept of income as sustainable production.

So Hueting is led by economic logic to his imposition of a perpendicular demand curve at a sustainable level of exploitation of natural functions. It is not a

gratuitous desire on his part to impose his personal preferences on the rest of the world. It is the honest national income accountant's professional duty to measure true income, not some combination of capital drawdown and production.

Strictly speaking the term "sustainable income" is a redundancy, because income is by definition sustainable. The very concept embodies the implicit **purpose** of prudential behavior, of avoiding unplanned impoverishment by consumption of productive capacity. National income is not a "value-free" fact — it is a concept built around a **purpose**. Its definition is not decided by aggregating individual preferences. If we did not have the **purpose** of avoiding capital consumption and consequent impoverishment there would be little reason to calculate national income in the first place. But practice has strayed far from theory. Consequently, what we currently call national income is decidedly unsustainable and is not even, by definition, income.

III. Some Conflicts in Economic Philosophy

To understand valuation we must pay some attention to the valuer—the valuing agent or self that is presupposed by valuation. Economists take this valuer to be the human individual. The market weighs and aggregates individual values. Individual values, usually called preferences by economists, are taken to be subjective in the sense that, if they were objective, individuals could agree on them and enact them collectively. It is assumed that there is no objective value or standard for judging preferences. Values are by assumption reducible to subjective individual preferences.

Earlier in the history of economic thought value had been considered objective in the sense of being rooted in "real costs", especially labor cost. Today some ecologists believe in an energy cost theory of value, so objective cost theories of value have not completely died out. Among economists, however, cost means "opportunity cost", the best alternative benefit forgone. The notion of objectively good preferences has been rejected by economists, who hold that preferences are purely personal and subjective. Any appeal to the concept of objective value in this sense is thought to be merely the veiled imposition of the speaker's personal preferences on everyone else. Indeed this must follow from the dogmatic assumption that the only locus of value is subjective individual preference. If this is true then any claim on behalf of objective value can only be, at best confusion, and at worst an attempt to "undemocratically" promote one's own preferences at the expense of others. Of course if the value of democracy too is simply a personal preference rather than an objective value, then it is hard to see why it should be privileged over non-democratic pursuit of one's own preferences. But for now my point is simply that **the nonexistence of ob-**

jective value is an assumption, not a conclusion of rational argument or empirical investigation.

Huetting's perpendicular demand curve represents an objective concept of sustainability in two senses: first that a sustainable level of aggregate resource use is objectively definable ecologically and subject to at least crude measurement; second, that sustainability so defined is itself an objective value whose authority over private preferences should be accepted by individuals and expressed by their democratic representatives. Surprisingly, even the objectivity of sustainability in the first sense is controversial. Roefie Huetting and Lucas Reijnders had to write an article countering the notion that the very concept of ecological sustainability is subjective. My concern here is with objectivity in the second sense—that sustainability, in addition to being objectively definable (at least as definable as the concept of "money"), is a good thing — an objective value worthy of being a goal of public policy. If the objective value of sustainability conflicts with private subjective preferences, then too bad for private subjective preferences.

As offensive as this last statement is to economists, most would accept that preferences for murder and robbery should be ruled out, presumably because they conflict with objective value. But they remain reluctant to rule out preferences for unsustainable levels of consumption, because they do not recognize sustainability as an objective value.

Others, including myself, have been led to the same conflict as Huetting, but from a different starting point. If, instead of measuring national income in a way that reflects sustainability, one is trying to design a policy for actually attaining sustainability, one encounters the same conflict. For example, the policy of tradable permits for depletion or pollution requires as a first step that total quantity extracted or emitted be limited to an amount that is sustainable. In this case it is the supply function that becomes a perpendicular at the chosen total quantity. Supply is decided socially by reference to the objective value of sustainability, and demand is left to the market. Demand is only allowed to determine the price that rations the fixed total quantity that has been set socially. Subjective individual preference, is not allowed to influence quantity — it only determines the rationing price, subject to the total quantity that is set by the objective value of sustainability.

It is interesting that one approach leads to a perpendicular demand curve and the other to a perpendicular supply curve. This difference in analytical representation deserves further reflection, but for the present I want to emphasize that both analytical adaptations represent the introduction of objective value, and therefore both conflict with the fundamental dogma that all value arises from subjective individual preferences.

Recently I had a conversation with a young professor of environmental economics that brought home to me the force of the dogma. He confided to me that personally he had a strong preference for sustainability, but since he doubted that sustainability was derivable from the individual preferences of the population, he could not justify devoting time and effort as a professional economist to furthering the idea. I was shocked by what he said. However, if all value really is reducible to subjective preference, then his position is not unreasonable — except one wonders why he is so diffident about asserting his own preferences, unless he happens to have a personal preference for diffidence rather than assertiveness.

Of course the same logic applies to all social goals — full employment, a just distribution of income, avoidance of inflation, even the promotion of aggregate economic growth. By definition social goals cannot be derived from individual preferences, so more and more they are thought by young economists, who reflect current university teaching, not to exist. Goals like full employment and distributive justice were recognized in an era in which the dogma of individual preference was not so well established, and they continue to command respect thanks to historical inertia and to our enormous capacity to believe contradictory things. But more and more I suspect that they will fall into the same orthodox disrepute as sustainability as we continue to try to live by the dogma of subjective personal preference, and its corollary, the denial of objective value. I believe that sustainability is an objective public value whose legitimacy does not derive from private subjective preferences any more than does democracy or justice. We do not submit the institution of democracy itself to a popular vote, nor do we allow free market participants to sell themselves into slavery even if that is their preference.

IV. Objective Value and Totalitarianism.—

While I believe that logic and honesty have driven Hueting to his perpendicular, I also believe that he is personally uncomfortable with it, for a number of reasons. Not the least of these reasons is that he is a child of World War II. As a witness to the atrocities of Nazism, Imperialism, and Communism, Hueting is very sensitive to the evils that can result from totalitarian regimes that are only too willing to trample individuals in the name of collective and presumably objective values. Hueting worries that departure from the dogma of individual preferences would lead to a slippery slope that could end again in totalitarianism. One can certainly respect this concern. I want nevertheless to suggest that it is the preference dogma that is today the broader path to totalitarianism, and that only a commitment to objective value can save us from it.

The argument has already been made by C. S. Lewis and I need only try to summarize it. A good place to begin is Lewis' statement, so shocking to modern prejudices, that, "A dogmatic belief in objective value is necessary to the very idea of a rule which is not tyranny or an obedience which is not slavery."

Nothing could be more contrary to the dogma of subjective preference. Yet Lewis' logic is both simple and compelling. If you and I disagree in our purposes or preferences, and neither of us believes in objective value, then there is nothing that either of us can appeal to in an effort to persuade the other. I can only restate and clarify my preferences, and you can do the same. I hope that once you clearly understand my preferences you will agree with them, and you hope the same. But that usually does not happen. Our different preferences have no authority beyond the strength of personal conviction with which we hold them. Once our differences have been made unmistakably clear the only resolution is coercion, either by physical force or psychological manipulation. Only if we accept the reality of **objective value** whose authority trumps our personal preferences is there any possibility of being genuinely open to persuasion.

We may not agree in our perceptions of objective value either, but as long as we are trying to discern more clearly a reality whose existence we both recognize, there is reason for at least a modicum of patience, tolerance, and good will. It makes no sense to appeal to my "moral sensitivity" unless we believe that there is something moral to which we should be sensitive. A "moral compass" implies the existence of objective value, a true magnetic north to lure the needle towards itself. If our individual moral compass needles point in different directions we can try to sensitize them by reasoning together, but we must sensitize them to objective magnetic north, not to our own subjective preferences. If we believe there is no magnetic north, then we should find an alternative use for our compass — such as throwing it at the cat.

V. The Big Philosophical Issue

Why has this assumption that all value is rooted in individual preferences become a basic dogma in economics? I suspect because it is coherent with, and likely derivative from, a larger cultural assumption that excludes **purpose** from science. If objective value exists, then its attainment obviously constitutes a **purpose**. But the hallmark of modern science is the exclusion of final causation. In the public world of facts upon which agreement is expected and truth claims are made, efficient causation reigns, and **purpose** is not allowed. Our age is often called "pluralistic" — but we are pluralistic only in the private realm of values and purposes. In the public realm

of fact, pluralism would be considered irresponsible indifference to the truth.

Even the economic idea of causative efficacy via purpose as individual preference is an embarrassment to many scientists who, consistent with the overall banishment of teleology from science, dismiss our conscious experience of **purpose** as an epiphenomenon, an illusion. Economists try to confine purpose to the private subjective world of individuals and devote their efforts to explaining mechanistically how individual actions, motivated by private preferences, give rise to public consequences, to prices and allocations under different market structures. This market allocation is usually taken as implicitly good, in the same way that democracy is considered good, although such goodness is impossible to demonstrate with no appeal to objective value. Some people like markets and some do not, some people have a preference for democracy and others do not — just as some people like apples better than oranges. If one insists on deriving all value from the private sphere of individual preferences, then one must accept the consequences, however nihilistic.

One person's purposes are as good as another's; but one person's facts have to stand up to public scrutiny. An attitude that would be considered irresponsible indifference to truth in the realm of facts is considered humble tolerance in the realm of purpose. This is because, in our plausibility structure, **purpose** is considered less real than fact. Therefore discussing purpose is less serious than discussing fact — we can afford to be “tolerant” about subjective matters, like dreams and goals and visions that don't really matter. Besides, if we start taking objective value seriously we may end up with religious wars like we had before the Enlightenment. If purpose is, as many scientists claim, just an illusion, or if, as economists claim, one person's purposes are as good as another's, then it would indeed make sense not to pay too much attention to it. That benign neglect would contribute to peace and tranquility. Furthermore, the elimination of final causation from the study of nature has been enormously fruitful in physics, chemistry, and biology. Why not apply the same philosophy to the study of economics? This is the current program.

The problem is that this program is leading us to conceptual absurdity, political paralysis, and ecological catastrophe — because it is founded on an inconsistency.

VI. Whitehead's Lurking Inconsistency

Alfred North Whitehead recognized this cultural contradiction back in 1925 and referred to it as the “lurking inconsistency.”

“A scientific realism, based on mechanism, is conjoined with an unwavering belief in the world of men and of the higher animals as being composed of self-determining organisms. This radical inconsistency at the basis of modern thought accounts for much that is half-hearted and wavering in our civilization.....It enfeebles [thought], by reason of the inconsistency lurking in the background.....For instance, the enterprises produced by the individualistic energy of the European peoples presuppose physical actions directed to final causes. But the science which is employed in their development is based on a philosophy which asserts that physical causation is supreme and which disjoins the physical cause from the final end. “

Whitehead went on to observe that, “It is not popular to dwell on the absolute contradiction here involved.”

Biologist Charles Birch, a keen student of Whitehead, has written an insightful book entitled *On Purpose*, in which he begins to come to grips with Whitehead's lurking, inconsistency, which Birch restates as follows: “The central symbol of ecological thinking in this book is purpose. It has become the central problem for contemporary thought because of the mismatch in modernism between how we think of ourselves and how we think and act in relation to the rest of the world.”

In the emerging transdiscipline of ecological economics many of us have spent the last decade criticizing economists for their neglect of the embeddedness of the economy in the larger ecosystem, and for their ignorance of ecology in general. It has been the economist who needed correction and the ecologist who supplied it. I think this criticism was, and still is, entirely necessary. However, as we try to develop policy on the basis of that understanding, it seems that ecologists are not only becoming less helpful, but also something of an obstacle.

The enfeeblement of modern thought, noted by Whitehead, is evident today in the environmental movement, especially as it is promoted by biologists and ecologists. Their science and philosophy is mechanistic. No final causes or purposes are permitted into their neodarwinian world of efficient causation by random mutation and natural selection. This mechanical process, over long time periods, is held to explain not only the evolution of all living things from a common ancestor, but also, in some versions, the emergence of the common ancestor itself from the “primordial chemical soup”. For human beings in particular, random mutation and natural selection are thought to determine not only such characteristics as eye color and height, but also intelligence, consciousness, morality, and capacity for rational thought.

Powerful though it is, the neodarwinist explanation faces severe difficulties even in the realm of mechanism. But leave those aside. My point is that it is obviously inconsistent to declare the world void of **purpose** and then exempt one's self from that declaration by urging some policy in pursuit of—guess what?—a **purpose!** The manipulator (policy maker) credits himself with the very capacity for purposeful action in pursuit of objective value that he denies to the manipulated (the rest of the world). Herein lies the broad path to totalitarianism.

VII. Purpose and Value.

We, and perhaps higher animals in general, directly experience **purpose**, and within limits, act in a self-determining manner guided or lured by **purpose**. If we are part of nature, then so is purpose; if purpose is not part of nature then neither, in large part, are we. However, the immediate reality of final cause and purpose that we all directly experience, must, in the mechanist's view, be an "epiphenomenon"—an illusion which itself was selected because of the reproductive advantage that it chanced to confer on those under its influence. The policy implication of the dogma that purpose is not causative in the world is *laissez faire* beyond the most libertarian economist's wildest model. The only "policy" consistent with this view is, "let it happen as it will." It is odd that the illusion of purpose should be thought to confer a selective advantage while purpose itself is considered non causative — but that is the neodarwinist's problem. Economists do not go so far as to declare purposes illusory, but, as we have seen, they attain nearly the same result by confining them to the realm of private subjectivity exempt from the discipline to which public claims of objective truth are submitted. If one person's preferences are as good as another's, and preference is the ultimate source of value, then there is really nothing for us to talk about. There remains, however, a great deal for us to fight about.

But, economists do vigorously affirm at least one public purpose, one apparently objective value. That purpose is of course aggregate growth in GDP. It is thought to be derivable from individual preferences by the (invalid) argument that more and more preference satisfaction by more and more individuals must necessarily result from aggregate growth in GDP. But we all know that GDP growth has unmeasured costs which might be growing faster than measured benefits (usually taken as GDP itself). So the inference is unwarranted. However, **even an unworthy and unwarranted purpose, such as GDP growth forever, will dominate the absence of purpose.** Economists, for all their shallowness and ignorance of the natural world, will continue to dominate ecologists in the policy forum simply because they affirm a purpose while the ecologists do not — and logically cannot as long as they remain faithful neodarwinists.

The relevance of the lurking inconsistency to the new subdiscipline of "conservation biology" should be evident — conservation is, after all, a policy in the service of a purpose. What are we trying to conserve? Biodiversity? Habitat? Why are they valuable, and which parts of the biota are more valuable? Although economists do not know how to value biodiversity, it seems that biologists are even more clueless, having purged their science of the very concept of value because it is tainted with teleology. But the very existence of conservation biology means that some biologists want to affirm purpose at least implicitly. Meanwhile economists attempts to value species by asking consumers how much they would be willing to pay to save a threatened species, or how much they would accept in compensation for the species' disappearance. The fact that the two methods of this "contingent valuation" give different answers only adds comic relief to the underlying tragedy of the reduction of value to taste.

VIII. More Neodarwinist Fallout

Biologists have taken extreme pains for many years to rid their science of any trace of teleology. As Whitehead remarked: "Many a scientist has patiently designed experiments for the purpose of substantiating his belief that animal operations are motivated by no purposes. He has perhaps spent his spare time writing articles to prove that human beings are as other animals so that purpose is a category irrelevant for the explanation of their bodily activities, his own activities included. **Scientists animated by the purpose of proving that they are purposeless constitute an interesting subject for study.**"

Teleology has its limits, of course, and it is evident that mechanism has constituted an enormously successful research paradigm for biology. The temptation to elevate a successful research paradigm to the level of a complete worldview is perhaps irresistible. But mechanism too has its limits. To deny the reality of our most immediate and universal experience (purpose) because it does not fit the mechanistic paradigm is radically anti-empirical. To refuse to recognize the devastating logical contradictions that result from the denial of purpose is profoundly anti-rational. That people unembarrassed by the fact that their major intellectual purpose is the denial of the reality of purpose should now want to concern themselves with the relative valuation of accidental pieces of their random world is incoherence compounded. If there is objective value, then its attainment becomes a public purpose. Even if value is subjective it remains causative for individuals who act on it as a private purpose. Neodarwinists who do not accept the reality of purpose in either sense owe it to the rest of us to remain silent about valuation—and conservation as well.

According to biologists the existence of any species is an accident, and its continued survival is always subject to cancellation by random mutation and natural selection. For people who teach this doctrine to sophomores on Monday, Wednesday and Friday to devote their Tuesdays, Thursdays and Saturdays to pleading with Congress and the public to save this or that species is at least surprising. Naturally the public asks these biologists what purpose would be served by conserving certain threatened species? Since most leading biologists claim not to believe in purposes, ends, or final causes, this is not an easy question for them to answer. They reveal the inconsistency that Whitehead saw lurking in the background by the feebleness and wavering half-heartedness of their answers. They tell us about biodiversity, and ecosystem stability and resilience, and about a presumed instinct of biophilia that we who systematically drive other species to extinction are nevertheless supposed to have encoded in our genes.

But the biologists are too half-hearted to affirm any of these descriptive concepts as an abiding **purpose**, and thereby challenge the fundamental assumption of their science. For example, biophilia could be appealed to as a virtue, a persuasive value, a telos. rather than a wishfully imagined part of the deterministic genetic code. But that would be to admit **purpose**. Instead the biologists try to find some overlooked mechanistic cause that will make us do what we suspect we ought to do, but cannot logically advocate without acknowledging the reality of purpose. Absent purpose, the biologists' appeals to the public are both logically and emotionally feeble. Is it too much to ask the neodarwinist to think about the "lurking inconsistency" — to speculate about the possibility that the survival value of neodarwinism itself has become negative for the species that really believes it?

IX. The Purposeful Perpendicular

The issue under consideration is the omission of **purpose** and objective value from our cultural world view, and that omission is most evident in and influential through neodarwinism. But economics is not far behind in its denial of objective value. It hangs on to purpose only in the attenuated, but still causative, notion of personal preferences. One small but important barrier to this march of insane purposelessness is Hueting's perpendicular social demand curve. This humble perpendicular represents the assertion of objective value and final causation in a world whose plausibility structure recognizes only efficient causation. It is the insertion of a public purpose, a telos, an objective value, into both the value-free world of biology and the subjectivistic world of economics.

Neither world welcomes it. The perpendicular asserts that sustainability is indeed not derivable from individual preferences, unless individual preferences, like sensitive compass needles, respond to the pull of "magnetic north," to the lure of objective value. In the latter case it is of course objective value that is luring and persuading preferences, and consequently subjective preferences would not be the ultimate source of value.

The Enlightenment, with its rejection of teleology, certainly illuminated some hidden recesses of superstition in the so-called Dark Ages. But the angle of its cold light has also cast a deep shadow forward into the modern world, obscuring the reality of purpose. **To attain the purpose of using the biosphere sustainably we will first have to reclaim purpose itself from the dark shadows.**

References

- Roefie Hueting, *The New Scarcity (More Welfare through Less Production?)*, Amsterdam: North Holland Publishing Company, 1980, (Dutch edition 1974).
- Roefie Hueting, "Correcting National Income for Environmental Losses: A Practical Solution for a Theoretical Dilemma", in Robert Costanza, ed., *Ecological Economics (The Science and Management of Sustainability)*, New York: Columbia University Press, 1991, pp. 194-213.
- C.S. Lewis, *The Abolition of Man*, The Macmillan Company, London, 1944
- A. N. Whitehead, *Science and the Modern World*, London: The Macmillan Co., 1925, see p.76

Vision and Systems and Eroding Goals

by Dana Meadows

The vast majority of the people in Northern Ireland clearly want peace. Now it only remains a question of whether their leaders will give it to them.

— commentary on National Public Radio, July 4, 1999

Everybody wants peace. No one wants pollution or hunger or racism. We all know this. Why bother to talk about it? What value is there in asking people to describe the world they want, when we already know the answers and the answers seem impossible? Knowing that people want peace or clean water has not notably, so far, done anything to bring those goals into being. Let's get concrete. Let's talk about what to DO, not what we WANT!

That's what some of my Balaton colleagues and many, many people in the conventional world say. Sometimes I find their impatience with the social and psychological "space" of vision puzzling, because I am an impatient person myself, but this particular impatience I do not feel. I spend considerable time in visionary space as well as in "doing" space, and I find them both not only valuable, but necessary to each other.

Then at other times I find my friends' discomfort with visionary statements deeply understandable. Though I may not always consciously recognize it, I feel an excruciating psychological pain when I am forced to remember what my real dreams are, and how far there is to go to achieve them. The very expression of a vision like "the end of hunger" almost automatically throws me into the realization of how terribly many people still suffer from hunger, something which, for my own peace of mind and everyday sanity, I would really rather forget.

I'm also, for some reason, a born "fixer," so when I am reminded of how much there is to fix, I feel guilty that I haven't done it yet, and often helpless because I can't figure out how to do it. (How to get rid of the remaining nuclear weapons? How to get my country to enact a carbon tax? How to build viable rural economies free from the colonizing global economy?)

Frustration, helplessness, pain, guilt. When I feel those things, I would just as soon not listen to anyone burbling about visions of a perfect world.

But it also can happen that a heartfelt expression of vision puts me in exactly the opposite mood. If I can see the vision, if I can *feel it as a reality*, my spirit soars. Yes! *That* is what I am working for! The very thought

of it opens my heart, centers my actions, fills me with energy. The vision has to (this is hard to describe) "live within me as a reality" (that's what it feels like, anyway) for this energizing to happen. It has to feel real. I have to experience not only a fairly concrete picture of what it would be like, but some kind of believable expectation that it could come to be. I don't have to see the whole path, but I do have to see at least where the path starts, and I have to see that I could actually move on that path. When I do see all that, my excitement and energy know no bounds — until I lose sight of the vision again, or come up against an apparently unmovable obstacle.

That kind of visionary excitement happens to me often; that's why I am so attracted to the space of vision. It reminds me of what I'm about; it keeps me in motion. I really can't work, unless I'm working toward a vision, even if it's a very distant vision.

I think it's worth admitting and discussing all these contradictory *feelings* about vision, because I want to get them out of the way. Feelings never go away if I deny and suppress them. The only way I know to get rid of them is to bring them to the surface, shine the light on them, and allow myself to feel them thoroughly. Then they don't last — or if they do last, I can simply feel them, bow to them, set them aside and move on, rather than let my feelings stop me cold.

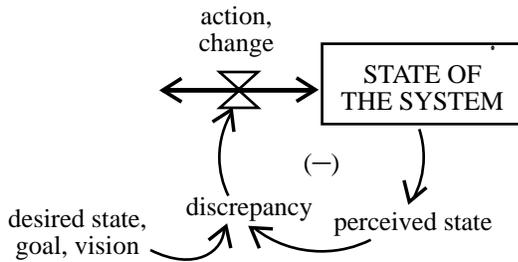
I want to set *feelings* about vision aside, because I want to *think* about vision — vision as an element of systems, vision as a tool not only for *seeing* but for *doing* what needs to be done to make a better world.

Everybody wants peace. But the system does not produce peace. No one wants pollution or hunger or racism. But pollution and hunger and racism pervade the system. Why is that? *If everyone wants something and the system does not produce it*, then either what everyone wants is physically impossible (repealing the law of gravity, for instance, or burning fossil fuels without emitting carbon dioxide), or *there is a problem with the structure and function of the system*.

Now we are within the realm of Balaton expertise!

Consider the classic negative feedback loop, the most basic molecule of system structure:

Diagram 1: Ordinary Negative Feedback



The purpose of this loop is to bring the state of the system to the desired state or goal. Why would it consistently fail to do that? Why would a system *not* produce, *never* produce the honest goals of the vast majority of the actors in the system? There are several possible reasons:

- **Because its perceived state is inaccurately measured or incompletely known.** If the actors in the system, especially the actors with resources and power don't actually know about a problem — that means “know” in a way that compels them to act — then they will do nothing to solve it. The feedback loop will not work. So, for example, if there are hundreds of millions of hungry people in the world, but those with plenty of food — indeed with excess food they don't know what to do with — never see those hungry people, do not know them as anything more than abstract statistics, have nothing to gain by helping them, then they will probably not figure out how to use an excess of food to solve the problem of hunger. If billions of people throw carbon dioxide into the atmosphere with most of their daily actions, but do not see, smell, or immediately feel the damage from that pollutant, they will be unmotivated to stop producing it.

If a problem is, by definition, the gap between the perceived and the desired state of the system, and the perceived state is a false, distant, delayed, noisy, or unconvincing reflection of the real state, then there is no perceived problem and no action. Invoking vision, reminding people that they do not want hunger or pollution, will do nothing to solve this systemic hang-up. It is solved by more meaningful indicators, more complete cost assessments, more compelling information about the actual state of the system, delivered to those who can do something about it. It may involve hauling those in

power out into the real system, so they can perceive the system state directly, so they can know that which ordinary folks know constantly, because they live with the actual state of the system, not with reports or video images of that state.

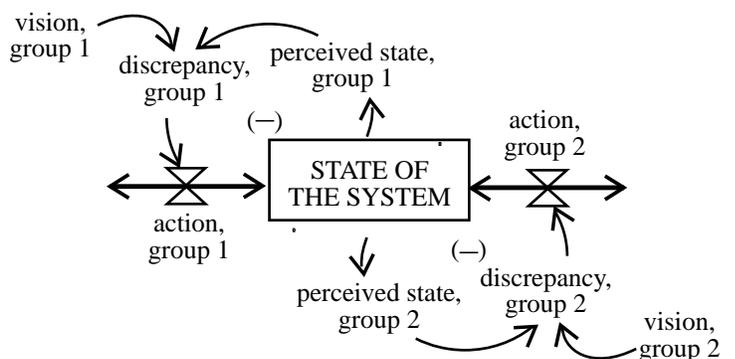
- **Because the actions to close the discrepancy between goal and perceived state are too weak or are blocked in some way.** Perhaps the actors in the system have insufficient resources to solve the problem. Perhaps they are up against insuperable physical or institutional constraints. Perhaps they are operating under inaccurate models, so, although they have plenty of power and resources and are reacting strongly to a large discrepancy between desired and actual state, their actions are not doing any real good.

If the system has this kind of fault, reminding the actors of their vision, pointing to the discrepancy, will probably not help; it will only increase their frustration, and perhaps encourage even stronger efforts in wrong directions. Mobilizing more resources, improving models and decision rules, removing constraints, that's what's needed here. Invoking vision can be useful only if it builds up enough frustration to open minds toward these other kinds of changes.

“Hey look, this gap between the rich and the poor is not only not closing, it is opening wider. This amount of poverty is not a part of our vision. Maybe we need to rethink some of our models of what causes it.”

- **Because there are other actors with other goals pulling the state of the system in other directions.** The classic structure of policy resistance often can explain why a system consistently fails to move toward widespread, dearly held visions.

Diagram 2: Policy Resistance



Everyone wants peace, deeply, truly, except those who have jobs or make profits from weapons, and those who maintain power from warmongering, and those who get thrills or validate their manhood from fighting. Those people have different goals, different visions, and though they may be only 5% (10%? 15%? 50%?) of the population, they may command enough power and resources and microphones to pull the system state away from peace toward at least sporadic and sometimes total war.

If this is the reason why a system fails to move toward widespread shared vision, then there is either conflict resolution work to do (let's really talk about our visions here and see if we can find some common ground — like some way for you to make money and/or prove your virility without blowing people up), or revolutionary work to do (let's throw those thugs out of power).

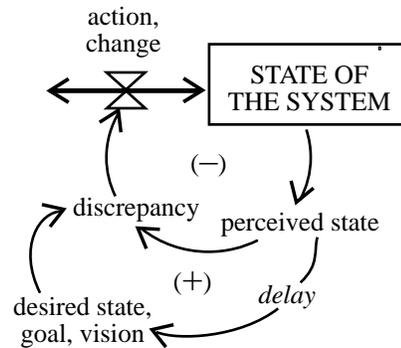
For the majority group to simply re-articulate its vision (go on peace marches, write passionate poetry about peace) may do no good whatsoever, may even be counterproductive. It could cause the group in power to re-double its efforts to pull the system state in the direction of its goals. It could cause the group in power to ridicule, weaken, unfund, jail or kill those who express the vision of the majority.

Less spectacularly, but more insidiously, the powerful minority that is actually benefiting from war or pollution or racism or whatever, can undermine the strength of the majority by ridiculing its vision — or by ridiculing the very idea of vision. It can label people who say they want peace, want an end to hunger, want no pollution as silly, unreasonable, irrational, naive, idealistic, impractical dreamers.

Worst of all, it can convince those people themselves that they are silly, that their visions are unattainable, that they had better shut up and stop making fools of themselves. They can do that easily through the positive feedback loop of eroding goals.

- **Because of eroding goals.** In an eroding goal system, the actors — at least some of them — do not set their vision or goal once and for all. Rather, they readjust it, based on their experience of the past perceived state of the system.

Diagram 3: Eroding Goals



If the perceived state is a timely and accurate reflection of the real state, and if the adjustment delay is long enough to allow a full trial of any action, this readjustment of goals can be a necessary part of the learning process, adjusting expectations to what is really attainable.

But if the expectation is adjusted too fast, before corrective actions can have their full effect — we tried that and it didn't work, so let's give up — then the collapse of vision can shut down the whole system. Or if the perception is **biased**, so that the actors perceive and remember unsuccessful outcomes more than successful ones, a nasty positive feedback loop can drag the system down. We tried that and it only worked a little, so let's lower our expectation. Which makes a smaller discrepancy (especially so if the actions were indeed partially successful, so the system state has also improved). A smaller discrepancy drives a weaker action. Which produces even less of a change in the system state. Which leads to even lower expectations.

Eroding goal structures are responsible for all sorts of half-finished, lukewarm, mediocre, semi-satisfactory system states that people have learned to settle for. Well, once we wanted to get every nuclear weapon off the face of the earth, and we fought hard for it, and we've got many fewer weapons now, so let's go on to other things. Well we haven't ended hunger, but we've got the hungry people to stop begging on the streets, so we can live with that. Well, we haven't got clean air, but we've got cool cars, not exactly our real vision, but nice to have. The air kind of meets the federal standard, most days. To want *really* clean air is to be some kind of impractical dreamer.

The simple, generic analysis I've done here suggests that a system that is chronically in a mediocre or poor state may need many kinds of changes — in resources, in models, in data and indicators and perceptions and response delays, in process, in leadership. Often — not always — the firm, uneroded, clear expression of real vision, as specific and detailed as it can be, is helpful, and sometimes it is crucial. It keeps the pressure up, keeps pointing to the discrepancy that motivates action. It makes the actors accountable. It focuses attention on what's important. It reminds everyone what direction to go, even if you can't get all the way there, at least not in a hurry. It keeps attention on the problem long enough to allow actions to be fully effective and honestly assessed. It prevents short-term expedience from eroding long-term goals.

Once, when I was contemplating out loud trying a one-time, quick-and-dirty use of an herbicide to wipe out an invasive weed on my farm, one of my housemates said, in a small voice, "I thought this was an organic farm." That brought me back to my vision and stopped me from eroding my goals.

Once I met a tall, distinguished man in Washington DC who said to me, "I am in the cabinet-in-exile of the independent nation of Eritrea. We are currently occupied by Ethiopia, but we will not be much longer. We are fully prepared to govern ourselves." He lived in that vision as such an unquestioned reality that I believed him totally. Today he is in the actual cabinet of the actual nation of Eritrea.

Once Gandhi said calmly to the British Viceroy of India, "Some day you will just peacefully walk out of here and leave us to run our own country." The British rulers laughed, and then twenty years later they did just that.

Martin Luther King stood before millions in the center of a city of power and terrible racism and said, "I have a dream that some day my children will be judged by the content of their character and not the color of their skin." His vision is far from being fully achieved, but it lives in the hearts of people of all colors in his nation, and to a large extent it is now encoded in the laws.

In the bad old days of apartheid I heard people in South Africa say, "if we can learn to live together in peace and govern each other with justice across racial lines, we will be a model that no place else on earth can ignore." That vision seemed utterly impossible at the time. Now it's in motion, struggling, but much farther toward reality than anyone would have believed just a few years ago.

And of course we have the vision of democracy and freedom that motivated the peoples of Eastern Europe to claim their own self-government. Again, an unfinished story — democracy and freedom are things that even the so-called long-time democracies have to keep working for — but enormous possibilities have opened, threatened most strongly at the moment, probably, by eroding goals.

So, beyond all the emotions it raises, I see vision, its development, its expression, its detailed working-out, its practice, its enunciation, respect for it rather than ridicule of it, as a pragmatic, systemic tool of social change. Not the only tool, but a necessary one and a powerful one. I don't think it's a trivial observation that everyone wants peace. I think that if everyone woke up and realized that peace is what they truly, totally want, and *lived in that vision as a reality, as a commitment, as a possibility, as a responsibility*, then when the Serbian shells hit Dubrovnik ten years ago or when the NATO bombs started falling on Belgrade this year, the world would have thundered: EVERYONE WANTS PEACE! WHY IS THERE NO PEACE? LET THERE BE PEACE. RIGHT NOW.

WE WANT CLEAR AIR, CLEAN WATER! WE DON'T WANT AIR AND WATER CALCULATED TO BE JUST ON THE EDGE OF STATISTICALLY SAFE. OUR VISION IS CLEAN AIR, CLEAN WATER.

NO, IT WAS NOURISHMENT FOR EVERYONE WE WANTED, EDUCATION FOR ALL, AFFORDABLE, ACCESSIBLE HEALTH CARE, NOT A RISE IN THE GDP!

I suggest as an exercise in the coming Balaton meeting and in each of our lives, starting right now, that we practice and encourage the expression of vision. That at very least we stop falling in with the tactic of the powerful minority that profits from war and pollution and poverty — a tactic that dominates our culture so thoroughly that we practice it ourselves in knee-jerk fashion, without thinking — the tactic of dampening, dumping on, ridiculing, arguing against, pooh-poohing, eroding other peoples' visions.

The Discipline of Building Shared Vision

by Peter Senge

(Peter Senge is a consultant, author, speaker, and founder of Innovation Associates. He was trained in system dynamics at MIT and has been a long-time friend of Dana and Dennis Meadows and the Balaton Group. This is an excerpt from Peter's book The Fifth Discipline: The Art & Practice of the Learning Organization, New York, Doubleday, 1990.)

A shared vision is not an idea. It is, rather, a force in people's hearts, a force of impressive power. If it is compelling enough to acquire the support of more than one person, then it is no longer an abstraction. People begin to see it as if it exists. Few, if any, forces in human affairs are as powerful as shared vision.

Why Shared Visions Matter

A vision is truly shared when you and I have a similar picture and are committed to one another having it, not just to each us, individually, having it. When people truly share a vision they are connected, bound together by a common aspiration. Shared visions derive their power from a common caring. Visions are exhilarating. They create the spark, the excitement that lifts an organization out of the mundane. Shared visions compel courage so naturally that people don't even realize the extent of their courage.

Without a pull toward some goal that people truly want to achieve, the forces in support of the status quo can be overwhelming. Vision establishes an overarching goal. The loftiness of the target compels new ways of thinking and acting. A shared vision also provides a rudder to keep the work on course when stresses develop. With a shared vision, we are more likely to expose our ways of thinking, give up deeply held views, and recognize personal and organizational shortcomings. As Robert Fritz puts it, "In the presence of greatness, pettiness disappears." And conversely, in the absence of a great dream, pettiness prevails.

Shared vision addresses a primary puzzle that has thwarted efforts to develop systems thinking in organizations: "how can a commitment to the long term be fostered?" I have witnessed few lasting shifts to longer term commitment and action. I have come to feel that our failure lies not in unpersuasiveness or lack of sufficiently compelling evidence. *It may simply not be possible to convince human beings rationally to take a long-term view.* People do not focus on the long term because they *have to*, but because they *want to*.

In every instance where one finds a long-term view actually operating, there is a long-term vision at work. The cathedral builders of the Middle Ages labored a lifetime with the conclusion of their labors still a hun-

dred years in the future. The Japanese believe it takes 25 to 50 years to build a great organization. Parents try to lay a foundation of values and skills that will serve an adult long after their influence is over. In all these cases, there is a vision that can only be realized over the long term.

Building Shared Vision

Organizations intent on building shared vision continually encourage members to develop their personal visions. If people don't have their own vision, all they can do is "sign up" for someone else's. The result is compliance, not commitment. On the other hand, people with a strong sense of personal direction can join together to create a powerful synergy toward what I/we truly want.

No one can give another his vision, nor force him to develop a vision. But people who have a sense of vision can communicate in such a way that others are encouraged to share their visions. That is the art of visionary leadership.

Visions that are truly shared take time to emerge. They grow as a by-product of interactions of individual visions. Experience suggests that shared visions require ongoing conversations in which individuals not only feel free to express their dreams, but learn how to listen to each others' dreams. Out of this listening, new insights into what is possible gradually emerge.

Listening is often more difficult than talking, especially for strong managers with definite ideas of what is needed. It requires extraordinary openness and willingness to entertain a diversity of ideas. We must allow multiple visions to coexist, listening for the right course of action that transcends and unifies all our individual visions. As one CEO expressed it, "my job is listening to what the organization is trying to say and then making sure it is forcefully articulated.

Compliance, Enrollment, Commitment

It is common to hear managers talk of getting people to "buy into" the vision. For many, I fear, this suggests a sales process where I sell and you buy. But there is a world of difference between "selling" and "enrolling,"

“Selling” often means getting someone to do something he might not do if he were in possession of all the facts. “Enrolling” literally means “placing one’s name on the roll.” It implies free and informed choice.

“Commitment” means a state not only of being enrolled, but feeling fully responsible for making the vision happen. I can be thoroughly enrolled in your vision, I can genuinely want it to occur. But it is still your vision. I will take action as need arises, but I do not spend my waking hours looking for what to do next. That I do only if I am truly committed.

For example, people often enroll in social causes out of genuine desire to see inequities righted. Once a year they make a donation to help. But when they are committed, the cause can count on them for much more than that. They will do whatever it takes to make the vision real. The vision itself pulls them to action, not the fund-raising appeal.

In most organizations there are relatively few people enrolled, and even fewer committed. The great majority are in a state of “compliance.” Compliant followers go along with the vision. They do what is expected of them. They support the vision to some extent. But they are neither enrolled nor committed.

The committed person brings an energy, passion, and excitement that cannot be generated if one is only compliant, even genuinely compliant. The committed person doesn’t play by the rules of the game. He is responsible for the game. If the rules stand in the way of achieving the vision, he will change the rules. A group of people truly committed to a common vision is an awesome force.

People who are enrolled or committed do want the vision, but they may want it in order to get something else, to keep their job or make their boss happy or get a promotion. They do not want the vision in and of itself. It is not their own vision (or at least they do not know that it is.)

How to create commitment? Here are some guidelines:

- Be committed yourself. There is no point attempting to encourage another to be committed when you are not. That is “selling,” not enrolling and will at best produce a superficial compliance.
- Be on the level. Don’t inflate benefits or sweep problems under the rug. Describe the vision as simply and honestly as you can.
- Let the other person choose. You shouldn’t have to convince anyone of the benefits of a

vision. The test of the vision is its self-evident goodness. Any push toward someone to become “enrolled” will be seen as manipulative. Better to allow someone the time and safety to develop his or her own sense of vision.

Ultimately there is nothing you can do to get another person to enroll or commit. These guidelines simply establish conditions favorable for enrollment; they cannot cause enrollment.

Positive Versus Negative Vision

“What do we want?” is different from “What do we want to avoid?” This seems obvious, but negative visions are probably more common than positive ones. Many organizations pull together only when their survival is threatened. They focus on avoiding bad outcomes, not on achieving good ones. Negative visions are even more common in public leadership, where societies are bombarded with visions of “anti-drugs,” “anti-cancer,” “anti-war,” or “anti-nuclear energy.”

Negative visions are limiting for three reasons. First, energy that could build something new is instead diverted to preventing something from happening — at best you come out just where you have been. Second, negative visions carry a subtle but unmistakable energy of powerlessness. We may not be able to create what we want, but at least we can fend off what we don’t want. Third, negative visions are almost necessarily short term, focused on immediate threats. Once the threat goes away, so does the organization’s vision and energy.

There are two fundamental forces that can motivate vision: fear and aspiration. Fear can produce extraordinary changes in short periods, but aspiration endures as a continuing source of learning and growth.

Shared Vision and Systems Thinking

I believe that the discipline of building shared vision lacks a critical underpinning if practiced without systems thinking. Vision paints the picture of what we want to create. Systems thinking reveals how we have created what we currently have, and where are the leverage points for change.

Vision becomes a living force only when people truly believe they can shape their future. The simple fact is that most managers do not experience that they are contributing to creating their current reality. So they don’t see how they can contribute toward changing that reality. Their problems are created by somebody “out there,” or by “the system,” over which they have no control.

This attitude can be elusive to pin down, because in many organizations the belief “We cannot create our own future” is so threatening that it can never be acknowledged. There is a strong espoused view that being a good manager means being proactive, being in charge of your own destiny. A person who questions publicly that the organization can achieve what it has set out to do is quickly labeled as “not on board” and seen as a problem. Yet this “can-do” optimism is a thin veneer over a fundamentally reactive view, because most organizations are dominated by linear thinking, not systems thinking. The “event mentality” tell people that the game is reacting to change, not generating change. An event orientation will drive out real vision, leaving only hollow “vision statements,” good ideas, real dreams, that are never taken to heart.

But as people begin to learn how existing policies and actions are creating their current reality, a new, more fertile soil for vision develops. Confidence grows, rooted in deeper understanding of the forces shaping current reality and where there is leverage for influencing those forces. I’ll always remember a manager emerging from an extended “microworld” session at one of the companies in our research program. When asked what he had learned, he replied, “I discovered that the reality we have is only one of several possible realities.”

Bob's Vision of a Sustainable World

by Bob Wilkinson

*Here's a courageous Balaton member, **Bob Wilkinson**, who floated this vision on email — not to pre-empt the group discussion, but to prime it, to start the flow. What would you add? What would you take away?*

OK, this is a quick brain-storm exercise. My purpose is mainly to try to identify a process for us to discuss the range of elements of a vision of sustainability in a useful way. A focus on the systems necessary to maintain the positive future seems useful. Many of these systems issues will link back to the “how we get there” discussion, e.g., political processes, full-cost accounting.

Some of this seems so remote from our world that is almost sounds silly. (Justice and equity?) But we need to put it down, so here is a try.

1. Human Systems for Sustainability and Equity

(what systems will be functioning in our desired world, and how?)

Governing institutions and processes

Social processes for decision-making and resolution of issues are reflective of common social values and at the same time honor diverse values, are transparent, and are perceived as just and fair.

Political processes are governed by a pervasive notion of the common good and the public trust. Individual creativity, rights, and spontaneity are cherished, and they are bounded by social agreements regarding tradeoffs with the interests of society at large. (NOTE: we are squarely in the realm of classical philosophy and the relationship of the individual to society here. It is a timeless question worth pondering in the context of sustainability.) Bioregions are used as a more effective geographic space and unit for governance.

Religious and faith systems

All of the world's faith and religious traditions experience two fundamental transformations: first, they each determine that other belief structures should be tolerated without prejudice, and that followers of other traditions are of equal value and standing in the realm of creation, and they renounce all forms of negative reference toward others; and second, they all follow recent examples and decree that human action leading to environmental harm is a “sin” and that protection of biodiversity and “creation” is a sacred obligation.

Population

The universal education and empowerment of women, combined with a global shift in values, has fa-

cilitated a reduction in world population to sustainable levels. Every part of the world is functioning well within the carrying capacity of its bioregion. (I slipped in a “how we got there” assumption here. If one assumes we got there by making everyone rich — questionable in my view — we end up in a different place.)

Race and gender

All people, in all places, are accorded equal respect, dignity, and opportunity.

Security

People are secure, and feeling secure, at all levels; personal, community, humanity. Security is redefined to address basic human and environmental needs, and all offensive military capacities are recycled to productive purposes. Military systems are replaced with well-equipped, well-trained corps who respond effectively to natural disasters and spend the rest of their time on projects that increase the capacity and resilience of natural and human systems. (e.g., watershed restoration, education)

Economic systems

The Greek notion of “oikos” provides the logic for a redefinition of economics that incorporates the functions and limits of ecological systems. Economics in its new form is of service to humanity and nature, and it provides a valuable basis for understanding exchange, tradeoffs, and production and consumption.

The world's people are living on interest rather than natural capital — and we are building natural capital to increase interest. (Restoration of natural systems is understood as an investment in future prosperity and resilience.)

The notion of employment is replaced with meaningful, interesting, healthful, and productive ways for people to put their time, creativity, and skills to positive ends. All people are afforded an opportunity to contribute in meaningful ways. Creativity and effort are rewarded.

All production systems are closed-loop systems (e.g., no waste), and all products are high quality, long-lasting, well-designed, fully recyclable, non-hazardous.

Human settlements

Settlements, from cities to villages, are safe and

healthful places. Inner cities are quiet, pleasant, interesting settings. Gardens and trees replace much of the hard-scape. The air is clean. Urban waterways have been restored, including creeks and ponds. Human scale is recovered.

Transportation systems are fast, fun, safe, affordable. The need to move people and materials is vastly reduced. Options for mobility are abundant, and travel does not involve net environmental impacts. Major land areas and resources once devoted to transportation systems are restored to other uses.

2. Physical and Biological Systems Supporting the Sustainable Vision

Water systems

Most on-stream dams are removed, watersheds and surface and ground water systems are restored to support healthy ecosystems, groundwater is well-managed, water use levels are maintained safely within the bounds and limits of systems, off-line storage (including cisterns and local storage) replaces centralized systems, wastewater is fully treated at the local level and reused appropriately, all people have access to safe, healthy, adequate supplies to meet basic needs.

Energy systems

The “soft path” prevails (e.g., all energy used by humans is derived from sustainable, renewable, non-toxic, human-scale, safe sources), people have reasonable access to energy, which is used efficiently.

Climate

GHG emissions are reduced to pre-binge levels.

Ozone layer

Zero anthropogenic releases of ozone-destroying chemicals.

Radioactive materials

Radioactive contamination is a part of history, and all waste and residual material (including all materials recovered from “dumps” is processed to harmless form, not buried or dumped at sea).

Minerals and metals

All minerals and metals are re-used and recycled, and mining is principally restricted to landfills - rich deposits of valuable materials. Mine areas are fully restored, including both land areas and water systems affected.

Toxic materials and contamination

All toxic and hazardous materials have been eliminated from production processes and products, and “waste” and contamination from previous eras has been reclaimed and restored.

Soils

Are recognized as valuable living systems and are constantly being improved through reforestation, composting, sustainable agricultural practices, and restoration of biological diversity.

Food production

Building on healthy soils and water systems, food production from all sources contributes to the improvement of natural systems and is accomplished without the use of synthetic chemicals, bio-engineering, or hormones. The scale of food production systems is small and community-based. Diversity of food systems and genetic diversity is the basis for resilience and productivity. Diet is vastly improved for all of the world’s people, the over-consumers as well as the under-nourished. Food is fun and interesting and plentiful and a rich part of all cultures. We have good ice cream, chocolate, wine, and lots of other “luxuries” to enjoy.

Forests

Are restored in both quantity and diversity throughout the world. The “fertile crescent” is once again fertile, and clear water is flowing out of the restored watersheds in the mountains. Tropical and temperate forests are restored. Forests are sources of a wide variety of products and are continually improving in quality.

Fisheries

The world’s fisheries are restored, and fish harvesting is effectively managed within strict limits. Any uncertainty regarding the limits is treated as cause for erring on the side of caution. Major restoration projects in watersheds, wetlands, mangrove forests, and other ecological systems, coupled to the elimination of pollution from fresh waters and the oceans, has led to a dramatic recovery of fisheries. The Aral Sea is once again a rich fishery in Central Asia, and caviar is available from an abundant and healthy sturgeon population in the Caspian Sea and its tributaries. The Mediterranean is again a rich fishery. Deep sea fisheries around the world are highly productive.

Biodiversity

There are no human-induced threatened or endangered species on the planet. All threatened populations have recovered and are thriving. Stressed ecosystems have been restored throughout the world.

We are the Capitalists. You Will be Assimilated. Resistance is Futile.

by David Korten

*(This review of Thomas Friedman's book *The Lexus and the Olive Tree* (New York, Farrar Straus Giroux, 1999) was published in the July/August 1999 issue of Tikkun. David Korten is the visionary author of *The Post-Corporate World: Life After Capitalism and When Corporations Rule the World*. He is board chair of the Positive Futures Network, publishers of YES! A Journal of Positive Futures.)*

Economic globalization is the defining reality of our time. Edward Luttwak, a longtime fellow at the Center for Strategic and International Studies, a Washington, DC, think tank, observes in his book *Turbo Capitalism: Winners and Losers in the Global Economy* that “elite Americans do not merely approve of globalization. They treasure it as their only common ideology, almost a religion.” Margaret Thatcher gave globalization the nickname TINA, the acronym for her trademark exhortation “There Is No Alternative.” Thomas L. Friedman, international columnist for the *New York Times*, has long been among TINA's leading exponents. Indeed, his constant repetition of the TINA mantra in his new book, *The Lexus and the Olive Tree*, will remind *Star Trek* fans of the mantra of the Borg, the most dangerous alien species encountered by the crew of the Enterprise: “We are the Borg. You will be assimilated. Resistance is futile.”

If the author of *The Lexus and the Olive Tree* were not Friedman, the book could be dismissed as simply another elitist puff piece extolling the virtues of deregulation and the elimination of economic borders in the idolatrous pursuit of money. Friedman, however, has often been on the side of progressives. His book reveals much of the mindset of those self-proclaimed liberals who, like Friedman, have uncritically embraced economic rule by currency speculators and mega-corporations as the inevitable and beneficial future of humankind.

Friedman begins his book by telling us that he views globalization much as he views the sun coming up each day:

Generally speaking, I think it's a good thing that the sun comes up every morning. It does more good than harm. But even if I didn't much care for the dawn there isn't much I could do about it. I didn't start globalization, I can't stop it — except at a huge cost to human development — and I'm not going to waste time trying. All I want to think about is how I can get the best out of this new system, and cushion the worst, for the most people. [Emphasis added.]

Friedman admits that he is a realist rather than an idealist. Instead of seeking a more transformative vision of society, he accepts the classic liberal compromise, embracing corporate rule while promising to “cushion the worst” for those who fall through the cracks. But a global economy is not like the sun (if the sun doesn't come up we die; humankind, on the other hand, has survived rather well up to the last twenty years or so without what we now call the global economy), and the worst is, as Friedman himself admits, hardly ever cushioned.

To “get the best” out of the global economy, Friedman advises nations to adopt a one-size-fits-all “Golden Straitjacket,” his shorthand for the agenda of shrinking government and social safety nets to balance public budgets, keeping wages low to minimize inflationary pressure, privatizing all public assets and putting them into play in the global securities markets, deregulating commerce to give free reign to market forces, eliminating tariffs and quotas to allow goods to move freely across your borders, giving priority to export production, and opening everything to foreign ownership. Bridling the government gives free rein to what Friedman calls the “Electronic Herd,” the high-rolling financial speculators who will drop billions of highly leveraged dollars into your economy.

When the herd arrives, quickly grab as many dollars as you can before it senses weakness, wipes out the value of your currency, and stampedes away in search of new pastures. We mustn't, Friedman cautions, be distracted by the inequality, environmental destruction, joblessness and economic insecurity, and loss of community and cultural identity the Electronic Herd brings. This is simply capitalism's “creative destruction” at work. Mourn not if your neighbor stumbles and falls, for he is now your competitor — his misfortune your gain. Just run faster: “Think of participating in the global economy today like driving a Formula One race car, which gets faster and faster every year. Someone is always going to be running into the wall and crashing, especially when you have drivers who only a few years ago were riding a donkey.”

Friedman doesn't offer the losers much of a "cushion": be a winner or be road kill, those are your options. Lose your job in Maine? Look for another in San Diego. What about the family and friends left behind? Tough. Can't find a job in San Diego? Then borrow a few million dollars and place some bets in the global financial markets. Make a bad bet and lose it all? Declare bankruptcy and try again. You weren't born a multimillionaire with a line of bank credit? Then get a bathroom scale and offer to weigh people on the street corner for a fee.

I did not make this up. Friedman tells us that when visiting Hanoi he paid a dollar each morning to be weighed by a tiny Vietnamese woman who crouched on the sidewalk with her scale. He did it, he assures us, not to find out his weight, but as "my contribution to the globalization of Vietnam. To me, her unspoken motto was: 'Whatever you've got no matter how big or small—sell it, trade it, barter it, leverage it, rent it, but do something with it to turn a profit, improve your standard of living and get into the game.'"

To Friedman's eye, even the most desperate survival efforts of globalism's excluded poor are an affirmation of his capitalist faith — evidence that the most common of people love globalization and embrace the entrepreneurial opportunities it offers. Impressed by the resilience of the poor, he assures us that "globalization emerges from below, from street level, from people's very souls and from their very deepest aspirations. It is driven by "the basic human desire for a better life— a life with more choices as to what to eat, what to wear, where to live, where to travel, how to work ... and what to learn. It starts with a lady in Hanoi, crouched on the sidewalk, offering up a bathroom scale as her ticket to the Fast World."

While people who have been deprived of the most basic means of a decent life will struggle to survive down to their last breath, it is perverse in the extreme to interpret these struggles as an endorsement of an economic system that is eliminating their sources of livelihood and downgrading the terms of their employment, destroying the environment and local cultures and communities all to the end of further enriching the already rich. When exactly did these people cast a vote for a world of grotesque inequality that leaves the majority struggling in desperation to survive while directing the major economic rewards to rentiers and speculators?

One might well wonder what planet Mr. Friedman lives on. Most of the people living on planet Earth dream not of the fast cars and Internet connections globalization brings to the few, but of the secure livelihoods, families, communities, and healthy environments which, by Friedman's own admission, globalization places ever further beyond reach.

Ignoring this most basic insight into the priorities of the vast majority of the world's people, Friedman goes on to describe what he considers to be globalization's democratizing power. He is particularly enthralled by the idea that anyone with a computer and a few thousand dollars can join the Electronic Herd and fancy himself a player in the making and breaking of errant governments that seek to preserve a degree of cultural or economic sovereignty. He tells of his own proud boast to the prime minister of Thailand of how he personally helped to bring down the prime minister's predecessor.

Mr. Prime Minister, I have a confession to make. I helped oust your predecessor — and I didn't even know his name. You see, I was sitting home in my basement watching the Thai baht sink (and watching your predecessor completely mismanage your economy). So I called my broker and told him to get me out of East Asian emerging markets. I could have sold you out myself, via the Internet, but I decided to get my broker's advice. It's one dollar, one vote, Mr. Prime Minister. How does it feel to have Tom Friedman as a constituent?

In addition to revealing Friedman's arrogance — the real action is in the hands of the large hedge funds that gamble with hundreds of billions of dollars — this story also exposes his elitist belief in a democracy of money (one dollar, one vote) rather than persons, in which high stakes international gamblers use borrowed money to bring down the governments of other people's countries.

For all his talk about democracy, Friedman knows full well where global capitalism actually came from, and it wasn't from the rising of the sun, the communications revolution, or the aspirations of the world's street sweepers and taxi drivers. In his *New York Times* column he has been a persistent cheerleader for the policies and practices of the World Bank, the IMF, NAFTA, GATT, the World Trade Organization, APEC, the Multilateral Agreement on Investment, and every similar assault on democracy and the general welfare by financial speculators and global mega-corporations seeking to escape the burdens of public accountability and to extract as much of society's wealth as possible. The global economy is a consequence of intentional choices made by elites who embrace globalization as their dominant religion. The fact that most of these decisions were made behind closed doors does not make them any the less intentional.

Few would disagree that international commerce and exchange have made substantial contributions to human

well-being over the nearly six hundred years since the onset of the commercial revolution. The processes of deregulation and the removal of economic borders that define Friedman's beloved globalization, however, are largely a phenomenon of the past twenty years. While this twenty-year period has produced impressive economic growth and swelled the ranks of the world's billionaires, for most people it has brought declines in real living standards, unconscionable inequality, environmental devastation, and social breakdown.

Most of the positive accomplishments of capitalism came during the period from the end of World War II through the 1970s when national borders were strong, national economies were regulated, and international trade and finance were managed to serve national interests. Edward Luttwak calls it the period of "controlled capitalism" and documents how for most people the prosperity it brought is now being destroyed by the unrestrained "turbo capitalism" of the 1980s and 1990s that Friedman so adores. The nearest historical equivalent to the capitalism of the 1990s, as Friedman himself notes, is the capitalism of the 1920s — which brought us the Great Depression and World War II.

Indeed, as Friedman observes, the financial meltdown that recently swept through Asia, Russia, and Latin America has already turned many of capitalism's much-touted successes into economic road kill. Undaunted by such failures and apparently unconcerned for the pain of the millions of innocent people whose lives have been disrupted, Friedman tells us that these devastating failures are a further positive demonstration of capitalism's creative destruction at work. "I believe globalization did us all a favor by melting down the economies of Thailand, Korea, Malaysia, Indonesia, Mexico, Russia and Brazil in the 1990s, because it laid bare a lot of rotten practices and institutions in countries that had prematurely globalized."

While Friedman is most certainly correct that these unfortunate countries were not ready for the stresses of economic globalization — if any country ever is — he seems to forget why they "prematurely" globalized. What about the rotten practices of institutions such as the World Bank, the IMF, and the U.S. Treasury Department, whose officials, like Friedman, told these and other countries even less prepared that they had no alternative to putting on the Golden Straitjacket and binding it up tight? Ready or not, the IMF imposed structural adjustment programs on their economies, while the GATT and the World Trade Organization subjected them to trade, investment, and intellectual property rights rules written primarily to benefit the world's largest corporations. So long as each country's stock bubble was expanding, it was held up by Friedman and his soul mates as an exemplar of economic wisdom and virtue. When each bubble burst, each government was vilified

as a pariah that suffered the just fate of all who mismanage their economies.

This sort of flip-flop often leaves public officials, such as Enrique del Val Blanco of Mexico's Human Services Ministry, baffled as to what the Electronic Herd expects of them:

We thought we were on the path to the First World and suddenly something went wrong. One minute the World Bank and IMF were saying Mexico was the best example. Now we are the worst example. What did we do? We are losing control. If we don't find another type of development, we are finished. We surrender.

Thailand is an instructive case of what happens when a country puts on the Golden Straitjacket to entice the Electronic Herd to visit. Through the 1980s the Thai economy was fueled by direct investment from Japanese corporations building production facilities there to produce goods destined for export to the United States. As the inflow of direct investment began to level off, Thai economists came up with a scheme to keep foreign money flowing in. They set a domestic interest rate above that of the U.S. dollar and guaranteed a fixed exchange rate between the dollar and the Thai baht. This created a powerful incentive to borrow in dollars and invest in baht.

Just as the Thai technocrats intended, foreign money poured in and the country's foreign debt predictably escalated from \$21 billion in 1988 to \$89 billion in 1997 — \$66.2 billion of it private. Most of the baht found their way into the purchase of real estate and existing stock shares in Thai companies, while the foreign exchange reserves created by the inflow of dollars financed a sharp increase in spending on imported goods. As real estate and share prices headed for the sky, fortunes were made and money poured in even faster to get in on the action. U.S. and other foreign banks eager to profit from the Thai money machine competed with one another to lend to anyone who wanted to borrow. The Thai government even invited foreign banks to open branches in Bangkok to speed borrowing of dollars and other foreign currencies.

The agricultural and industrial sectors, Thailand's real productive sectors, couldn't compete for funds against the high returns being generated by investments in stocks and real estate. Instead of upgrading their production facilities to maintain their internationally competitive position, industrialists and agriculturists diverted the cash flows from their industrial plants and farms to more lucrative real estate or portfolio investments. This resulted in the seeming paradox that the faster foreign money flowed into Thailand, the faster the productive

sectors decapitalized in favor of speculation. The country's actual productive base began to decline, and exports, which previously had grown vigorously, began to level off, undermining the country's ability to repay its rapidly growing foreign debt. Meanwhile, imports of luxury goods — paid for with borrowed dollars — continued to rise unabated, fueling continued economic growth and creating an illusion of prosperity.

In the early stages, payments due on foreign loans had been covered by new inflows. In its 1996 *World Development Report* the World Bank cited Thailand as “an excellent example of the dividends to be obtained through outward orientation, receptivity to foreign investment, and a market-friendly philosophy backed up by conservative macro-economic management and cautious external borrowing policies.”

The pyramid began to crumble at the beginning of 1997, when a glut of unoccupied buildings and uncollectible loans forced two of Thailand's premier finance companies to default on interest payments to foreign lenders. Sensing weakness, financial speculators attacked the Thai currency by borrowing huge quantities of baht and presenting them to the Central Bank for exchange to dollars. The more astute investors started pulling their money out of the country. Concern turned to panic and stock prices plummeted. The Bank of Thailand, which committed \$9 billion of the country's foreign reserves to maintaining the guaranteed exchange rate, found its efforts were futile and watched in horror as the baht lost nearly 50 percent of its former value. The speculators who had helped to precipitate the crisis by using borrowed baht to sop up the government's foreign exchange reserves repaid their loans with deflated baht. The government announced that as many as a million Thais would lose their jobs in three months' time, negotiated a \$17.2 billion emergency loan from the IMF, and announced that the IMF funds would be used to guarantee the foreign debts of the finance companies, local banks, and enterprises that were in default — thus converting private debt to public debt and protecting the reckless foreign banks and investment funds from the consequences of their folly with money borrowed by the IMF with government guarantees from the very same foreign banks.

This is not a policy designed to direct savings to investments that increase productive capacity. It's a worldwide casino where high-stakes gamblers play for the chance of garnering as much of society's wealth as possible. Friedman marvels that “the cornucopia of stocks and bonds, commodities and futures contracts, options and derivatives being offered from scores of different countries and markets around the world mean that you can make a bet on almost anything today.” The stakes are winner-take-all: this Electronic Herd “doesn't play chess. It plays Monopoly.” Indeed, for all his rheto-

ric about markets and democracy, Friedman tacitly admits that the global economy is about rule by an elite cadre of global gamblers and corporations intent on replacing global markets with global monopolies.

After endlessly repeating the TINA mantra and assuring us that economic globalization arises out of the aspirations of the world's common people, Friedman ultimately admits what most of the world already knows. Globalization is a made-in-America product imposed on the world using every instrument of power at America's command.

The Golden Straitjacket was mostly made in America. The Electronic Herd is led by Wall Street bulls, and the most powerful agent pressuring countries to open their markets for free trade and free investment is Uncle Sam. In most societies people cannot distinguish between American power, American exports, American cultural assaults, American cultural exports and plain vanilla globalization. They are now all wrapped into one.

Friedman tells us that most of the world sees globalization as

twenty something [American] software engineers who come into your country wearing long hair, beads and sandals, with rings in their noses and paint on their toes. They kick down your front door, overturn everything in the house, stick a Big Mac in your mouth, fill your kids' heads with ideas you've never had or can't understand, slam a cable box onto your television, lock the channel to MTV, plug an Internet connection into your computer and tell you: “Download or die.” We Americans are the apostles of the Fast World, the enemies of tradition, the prophets of the free market and the high priests of high tech. We want “enlargement” of both our values and our Pizza Huts. We want the world to follow our lead and become democratic, capitalistic, with a Web site in every pot, a Pepsi on every lip, Microsoft Windows in every computer.

Consumed with pride in America's trashing of the world's cultures, economies, and democratic institutions, Friedman seems not to notice that the agenda America is imposing on the world is that of a handful of American corporations, not America's people. If he took a

closer look, he might find that most Americans are as sick of having this agenda pushed down their throats as are our counterparts around the world.

Friedman moves farthest from traditional liberalism in his final chapter, in which he reveals that the success of globalization depends on America's willingness to use its military power to impose the globalization agenda against any "who would threaten the system of globalization — from Iraq to North Korea." He continues:

The hidden hand of the market will never work without a hidden fist. McDonald's cannot flourish without McDonnell Douglas, the designer of the U.S. Air Force F-15. And the hidden fist that keeps the world safe for Silicon Valley's technologies to flourish is called the U.S. Army, Air Force, Navy, and Marine Corps With all due respect to Silicon Valley, ideas and technology don't just win and spread on their own. "Good ideas and technologies also need a strong power that promotes those ideas by example and protects those ideas by winning on the battlefield," says foreign policy historian Robert Kagan.

So much for Friedman's claims that economic globalization is a self-propelling force arising out of the dreams and aspirations of every man and woman.

There are a few brief passages in which Friedman laments the loss of cultural diversity, destruction of the natural environment, and disempowering of the poor that have been the hallmarks of globalization. In these passages, he attempts to position himself as a kinder, gentler globalizer. He divides the world into those who are for and against globalization and those who are for and against safety nets — claiming that he and Bill Clinton both fall in the pro-globalization, pro-safety net category. He is saying, in effect: let's pick up a few of the pieces caused by the explosive damage of globalization — just enough so that American hegemony is not seriously questioned. Do nothing, however, he cautions, "that would violate the economic rules of the Golden Straitjacket," such as imposing burdensome taxes on the rich or restricting the freedom of the Electronic Herd.

Friedman even cautions us to be prepared for a rough ride ahead as globalization brings ever faster and more violent cycles of boom and bust:

Global financial crisis will be the norm in this coming era. With the speed of change going on today, and

with so many countries in different stages of adjustment to this new globalization system, crises will be endemic. So, dear reader, let me leave you with one piece of advice: Fasten your seat belts and put your seat backs and tray table into a fixed and upright position. Because both the booms and the busts will be coming faster. Get used to it, and just try to make sure that the leverage in the system doesn't become so great in any one area that it can make the whole system go boom or bust.

With such gloomy advocates, globalization hardly needs critics. Why should America use its money and military power to impose on the world a regime that will bring massive economic instability and require that we each run ever faster simply to survive? Why not seek some more viable and humane alternative?

Friedman's unconvincing answer is that "if you put sand in the gears of such a fast, lubricated, stainless-steel machine, it might not just slow down. It could come to a screeching, metal-bending halt." To use Friedman's own analogy in answer — if you find yourself in a Formula One racing car with no brakes that is running ever faster and faster toward a precipice, wouldn't putting sand in the mechanism to bring it to a screeching halt be a rather good idea?

You may wonder why I am so angry at Friedman. Pretensions aside, he commands far too few financial assets to in fact bring down governments. Nor is he heading a global mega-corporation engaged in profiteering from sweat shops and the rape of the earth. True to his own disclaimer, he didn't create the unjust and dehumanizing world of which he writes. He is only a newspaper reporter and columnist whose job is to provide readers of the *New York Times* with observation and commentary on the world that is.

I take offense at his ongoing rant in support of globalization because we know from recent history that seemingly overpowering and inevitable forces (e.g., racism, sexism, and environmental destruction) can be overcome or dramatically limited when idealistic social movements arise to challenge them. Perhaps the greatest obstacle facing such movements is the disempowering belief, stridently propagated by the Friedmans of the world, that any rational person will surely recognize that nothing can possibly be changed and the only prudent course is to accept this reality and find ways to profit from it.

While the idealists who shape transformative social movements to advance freedom, equality, and a

healthy environment look to a world that might be and seek a path to its attainment, Friedman is a classic realist. He accepts unjust and destructive institutional structures as immutable givens and focuses on how to gain the greatest personal or national advantage. Intentionally or not, people like Friedman serve as cheerleaders for injustice when they ridicule all who dare to dream of a world of justice. In the name of realism, he contributes to a sense of powerlessness among those inclined to work for change — thus making it possible for a small elite, acting beyond democratic accountability, to shape the institutions of power to serve their narrow and exclusive ends.

If we draw but one lesson from Friedman, it is that we will never resolve the inequality, social breakdown, and environmental destruction that increasingly threaten our very survival by listening to Friedmanesque realists. **We must look instead to idealists who dare to challenge the status quo and to empower us with visions of the world that might be.**

Instead of using our power to impose the dark vision of turbo capitalism on the world, why not bring our wisdom and compassion to bear in creating institutions for a world of rich cultural and biological diversity in which everyone is assured access to an adequate and satisfying means of livelihood, individual freedoms are guaranteed, family and community are strengthened, productive work,

cooperation, and responsibility are rewarded, and a sustainable relationship is maintained between humanity and the life-support systems of our planet?

There are at least two ways to do that. One is the controlled capitalism of the post-World War II years that created mass affluence by balancing the power of big unions, big government, and big business. The second is a more populist, community-oriented alternative outlined in my recent book, *The Post-Corporate World: Life After Capitalism*. I call it the “mindful market economy.” It combines the principles of one person, one vote democracy, a properly regulated market economy comprised of local stakeholder-owned, human-scale enterprises, and an ethical culture. Nothing radical or exotic. Drawing inspiration for the design of its structures and processes from the study of healthy living systems, it actualizes the traditional liberal ideal of democratic, self-governing, self-organizing societies based on the values and institutions to which most of us already profess allegiance.

The next time a Friedman-style realist starts ranting at you about the need to accept reality and tighten up the straps on your Golden Straitjacket, tell him or her you have no interest in that dark and soulless vision of a winner-take-all-world divided between speed mongers and road kill. Straitjackets — golden or otherwise — are only for escape artists and the criminally insane.

Notes from a Journey to Macedonia

by Paul Hawken

(Paul Hawken is a businessman, writer, and chief theorist of sustainable business. His best-known book in that field is The Ecology of Commerce. The essay below, distributed to some of Paul's friends by Internet, was written May 18, 1999)

We arrived in Skopje airport to Balkan chaos. There are no single-file queues here. People mass as if to preserve the idea that life is a struggle. We had met John Cutler and Paul Fenn in Zurich. John has put together an ad hoc project called the Kosovo Wireless Repatriation Project with his college buddy Paul. Ryan Phelan and I were putting together something similar, at least in our minds, and through email, we met and joined with them to work together. With John West, a former Reuters correspondent, they collected 60 palmtops for use in registration of Kosovars in the camps. And we were to bring in 25 cell phones for the Red Cross donated by Motorola in Prague. As it turned out, we were on different planes, so Ryan and I bid them good-bye at the airport and then waited two hours for our delayed flight. When we arrived in Skopje, we could see Paul Fenn on the ground but not John. He had gotten off the flight mistakenly when it had made a stop, and never made it back on board. So we were in customs with our luggage as well as John's two large red suitcases of phones marked with a Red Cross symbol. After being clogged around passport control, we stood four deep around the baggage carousel off and on for an hour. John finally arrived after taking a \$100 taxi ride over the mountains, only to find that the phones were joining the palmtops in customs for days, maybe weeks.

That night, there was an anti-NATO rally in downtown Skopje. When I arrived, there were a few hundred people. A light rain was falling on a scaffolded stage which sat in a chalk circle drawn on the cobblestones. Inside the circle, square-shouldered bodyguards patrolled. They ranged in dress from 1950s Cuban gangster to jack-booted whiteshirts to Guardian Angel. Small groups in the front began "demonstrating" for the media. Children and women had the now famous paper bullseye targets attached to their shirts and blouses. Some carried hand-lettered placards of Herr "Klinton." Worn, creased posters of Slobodan Milosevic were thrust into camera lenses. Others held small pre-printed signs "NATO y Blato" where the NATO symbol morphs into a swastika. The words mean something like "NATO is mud." Men were wearing Nike knock-offs and smoking Marlboros, the cigarette of choice.

The skies were gray. It is hard to mingle when you are the only blue-eyed westerner in sight. People watched. Chants erupted from the first circle. Drunken vets swayed large Yugoslavian flags to the military music in the middle of the plaza. In the twilight, the empty lighted stage stood.

Slowly, Audis, BMWs, and Mercedes arrived at the back of the plaza. The stage began to fill with men. Mikes hummed and droned with static. The speakers lined the stage. They were mostly Serbian and Macedonian. One Gypsy. No Albanians. They spoke loudly, the political shout. Words were repeated: Nazi, Clinton, Third Reich, Hitler, NATO. Young people in the crowd turned to me and taunted "You got problem?" or "CNN lies," more to test their schoolhouse English than to challenge. In the darkness, the plaza had filled. Thousands of people surged and cheered speakers representing most of the political parties. Even the sole Roma Member of Parliament received thundering applause, something he would normally not receive from Serbs who denigrate the Gypsies. Some in the crowd wanted to talk to an American. When others who looked less friendly approached, I became a Swede. Sweden is not a member of NATO. The Serbs were passionate. They railed, decried, and pronounced the truths they know: how Kosovars are manipulating the press, how reports of atrocities are fabricated, the tyranny of NATO bombing, how the criminal and drug dealing Albanians should be expelled, the ruthlessness of America. They are angry and unemployed. They dare us to commit ground troops. They want to fight. There is something cowardly about this bravura. Two years ago in Bosnia, when the Serbs were confronted by an army of equal strength, they backed down. Milosevic's army wins by intimidation, terror, horror, and fear. That is how they know to fight. That is how they are "fighting" in Kosovo.

But these are the Serbs on the street. Even in our own media we do not read or hear from the Serbs who are heartsick by the bloody ten-year rule of Milosevic. Aleksandar Tijanic and Slavko Curivija wrote an op-ed piece to Milosevic last October for the Belgrade weekly *Evropljanin* including these words:

"Since there are no new means of deceiving the masses, you have decided to preserve your own power by suspending the Constitution and laws and ruling as an absolutist. In case you are refusing to accept the balance sheet of your decade-long rule, we can assure you that your efforts are in vain.

Historical accounts and the archives of facts have already been assembled.

Each Serb, dead or alive, has become an accountant and a witness. Everything that Serbs created in this

century has been thoughtlessly wasted: state and national boundaries; the status of an ally in two world wars; national dignity; membership in international institutions; the European identity of Serbs has eroded; Serbs abandoned their ethnic territories in Croatia and parts of Bosnia; the nation has developed a complex as an aggressor, genocidal, vanquished as well as the last bastion of European Communism.

The merit and worth of Serbian institutions have been destroyed in a systematic manner. You have brought the University and a local farmers' collective to the same level, equated the Academy of Arts and Sciences with a nursing home, you have degraded the Church, legislature, media, parliament, and the government."

Aleksandar was killed in Belgrade on April 11th in front of his house with fifteen bullets in his back. Before the investigation started, police ruled out a political motive. Writers in Kosovo were the first to be targeted well before the NATO bombing began.

Hotel Continental is jammed with NATO personnel from Italy, UK, France, Germany, US, Belgium, and aid organizations, NGOs, and media. The bar is something out of Doonesbury. Roland Hedley's in khaki vests. Soldiers in full camouflage. A dozen languages. This is the aid and news business. These are pros. They swap stories about Rwanda, Tajikistan, and Honduras. There are Africans on cell phones from the UN, USIA advance parties for Hilary Clinton's visit, UN workers taping media "opportunities" to elevator doors about Bianca Jagger's forthcoming ride to the camps on a bread truck, CNN correspondents watching themselves on the monitor next to the billiard room. The list of organizations reads like a Who's Who of international aid organizations: Caritas, CARE, OSCE, Red Crescent Society, Federation of Red Cross Agencies, Mercy Corp, International Committee for the Red Cross, American Red Cross, Oxfam, Action Against Hunger, Die Johaniter, Save the Children, Macedonian Red Cross, Medecines Sans Frontieres, UN High Commission on Refugees, UNESCO, Amnesty International, USAID, Institute of Migration, Human Rights Watch, and many more. It is a boisterous scene but helping refugees does not seem to draw people together. It is more like athletes at an international meet. There is respect but little cross fertilization.

There are nine refugee camps in Macedonia. Cegrane is the newest and biggest of all. The white tents can be seen far in the distance. Named for an adjoining village, it is near the northwest city of Gostivar, an area that is 80% Albanian. It is barely two weeks old and contains a small city of 31,000 people. It lies at the eastern rain shadow of the valley. On the other side are the Shar Planina, the Mountains of Many Colors, that rise to the Kosovo and Albanian borders. In May the peaks

are covered with snow, formidable barriers any time of the year. Below, at the campsite, it is hot, dry, and dusty. There are no trees and no shade. Chaparral and snakes and arroyos. In a month it will be over 100 degrees—in the non-existent shade. German troops and bulldozers have scraped away the thin soil. Crushed sharp rock has been laid down for the tents. There are no mattresses yet. And no showers. The camp stretches for over a mile and is still being expanded. In two more weeks, there will be 40,000 residents. In the gullies, refugees who do not have tents camp. Rubbish has been tipped into the ravine. Amidst it, families gather sticks and twigs, make cooking fires, and fashion shelters from blankets and clothing. Above the outliers, there is military precision. The tents line up perfectly. Inside them are children, the elderly, women and what people could carry out. Some clothing mostly. They are neat, swept and clean. There is a noticeable scarcity of men, a lacuna that no one has plumbed.

"In Communa Obrina, near Drenica, it is just a village, the police and paramilitary came and ordered us to stand outside in a group."

I am sitting in a small room adjoining a mosque in Gostivar. A 31 year old woman sits across from me. She is holding her 17 month old daughter. She has cuts on her chin and lips. Her face is sunburnt Her 5 year old sits on another chair. In a third chair sits a dark-haired boy. He is twelve and an orphan. Roza Kurti has come to the mosque at my request.

"What happened then?"

"The men were taken some distance away."

"Was your husband with them?"

"Yes."

"What happened to him?"

"He was shot and his throat was slit open."

"Could you see this?"

She nods.

"Did your children see their father killed?"

She nods again. Her face is tight. Her lips are drawn in. She has olive eyes that have no more tears. She may have been raped but it cannot be discussed, even if there were no men present.

The room is now silent. Sitting next to me is Shpend Ameri, a lawyer who is the president of the Association for Democratic Initiatives (ADI) in Gostivar. Shpend is

not surprised at what he is hearing. Next to him is Sami Selimi, the director of an Islamic relief agency, "El Hilal" which means New Moon. Selimi is a distinguished man, a retired school teacher. He is dressed in a gray suit with an open collared white shirt. His sad eyes watch. He is handsome like an aging French movie actor.

El Hilal was the organization that broke through the police lines on April 3rd in Blace. Refugees had been streaming across the border but were blocked by Macedonian police and soldiers. Serb soldiers cut off their return. They were trapped in a no man's land, without shelter, food, water, sanitation or fuel. What blankets they had were soaked by the frigid mountain rains. Each day, 5-7000 more people poured into the squalor of people. Lines of refugees six miles long waited at the other side of the border to get in. Incipient riots brewed. Men tried to force their way out but were beaten with truncheons. Only the dead could leave.

El Hilal, drawing from the native Albanian community worked around the clock for days gathering food, plastic, clothes and tents. When the police would not let them through, they broke through, but not before being beaten up by Macedonian police. In the end, refugees poured into the villages and towns and were put up by host families. It is where they are today, more than 120,000. "We opened the mosques," Selimi recounted the day earlier. "There were people everywhere." Albanians from Tetovo and Gostivar stood in the snow outside Blace in order to take strangers into their homes.

Roza is looking at me. She patiently awaits the next question. I am not sure what to say.

"Do you have relatives?"

"They killed all my husband's relatives. His father, and his three brothers."

"Your home?"

"All the homes were burned."

I ask what her husband did. He was a waiter. She has never worked outside the family. Does she have money? None. Any possessions? None. Any relatives on her side? Maybe a brother but he has not been seen or heard of.

Gazmend, the orphan, sits quietly. Roza lifts her blue shapeless T-shirt and nurses Leonora who looks back coyly at us and grins between feeds. Pellumb, the five-year old wants to play.

"What are your needs?"

Roza looks surprised and exhales. "For the children? Blankets, clothes, baby food."

"For you?"

She can't think of anything. She is non-plussed.

"Clothes," she whispers. "Maybe some clothes."

In the mosque is the El Hilal medical clinic. Refugees can get medical care at the state hospital, but come here because it is run by Kosovars, and because El Hilal activists were the first people that came to their aid. And it is the only free clinic in the region. Although over \$150 million in aid has poured into Macedonia for the refugees, the clinic has received nearly nothing, a total of \$10,000 from some visiting Americans, a similar amount from Mercy Corp in Portland, Oregon, and some from Qatar. It is staffed by two doctors, and two nurses. They work 14 hour days for no pay. Dr. Cen Bytqi is a professor and physician, a graduate of the Pristina University and the University of Geneva. His colleague, Dr. Bajraktari was in Blace. He had his dead brother's three children on his back. When he joined with others to break through the police cordon after days of no food, he was beaten on his body and face.

With them are two nurses. Nezaqete Boqujeuci remembers sitting on the train for hours after being herded by Serbian forces. The men toyed with them, arguing where they should be sent. Albania where conditions were terrible, or to Nis where they would be ground into meat and canned like Spam for the Albanians to put on their bread? A day later in Lipiyana, the soldiers talked of mining the tracks and blowing them up. There, many of the men were taken off the train and they never returned. Over the next seven hours, young men and women were taken away, beaten, assaulted, and raped, and returned to the train. Her mother, who was ill, was dragged off. They took all her medicine and medical records and threw her back on the train.

In the clinic they are seeing all the normal medical complaints, and unusual ones. Many suffer from respiratory and intestinal ailments, scabies and head lice, but there is also unusual and deviant behavior in children. Refugees have been overwhelmed by stress, their immune systems blown away by adrenaline and tension. Separation, terror, cold, heat, dehydration, and violence have shredded family health. Some children have become aggressive, others cry all the time, wet their beds, or wake suddenly in the night screaming. Others needs to be held constantly. Some cannot be held at all.

Today, Louise Arbour, Chief Prosecutor for the Hague Tribunal on War Crimes has come to Skopje for a two-day visit. She has full days of media briefings and events. With the bombing of civilian targets in

Belgrade such as power stations, Serbs want NATO prosecuted for violating the Geneva Conventions. NATO has bombed the Chinese Embassy and seems on the defensive. The Serbs seem to have the high moral ground in the media. It is a war fought on television. It is based on what is new ("news"). Outrageous claims are news. The flow of refugees is not news anymore. The attrition, disappearances of men, and condition of the trapped refugees is not new. There are now 780,000 known refugees, 423,000 in Albania, and 239,000 in Macedonia. Others have left or are in Montenegro. There are over 90,000 in camps in Macedonia, 140,000 in the homes of host families. In recent days the border has become a ghost town. No refugees approach. It is widely understood that there is an agreement between the Serbs and Macedonians to stop the refugee flow, but both deny it. There are rumors that over ten thousand people are trapped on the other side below a ridge out of eyesight. A dog loped across at the Blace crossing. It stepped on a land mine and disappeared into fur and parts. Magpies cleaned up the road in minutes.

Today I am being driven to the headquarters of ADI in Gostivar. The car is a 25 year-old Mercedes. Goran, my Macedonian driver, is pumping the clutch constantly because one of the seals has broken. We are leaving a thin oily line on the roadbed. When he downshifts, there is the crunching sound of stripping gears. Goran has a speech impediment, but gamely speaks English. "I marry an Albanian girl, and her father will kill me." His face strains and he forces out the next word. It is like a long single syllable stutter. "Iiiiiiiiiiiiiiiii am Catholic!" We are passing Albanians sitting on their haunches along the highway. They are holding up plastic buckets of freshly picked strawberries.

"Albanian women and children speak Albanian, but not Macedonian. This is Macedonia! Not Albania!" Goran pauses again to get the next word ready. "Wwwwww we don't like Kosovars because there are too many Albanians. Soon more than half the population will be Albanian."

We are driving towards the Shar Planina. It is a stunning sight, similar to the Ojai Valley when there is snow on the mountains. The wheat is dark green and headed out. It is being scythed and sheaved. Apple orchards interlace fields of strawberries. High above us refugees are hiding in the forests of Kosovo eating leaves and fungus.

Shpend Imeri works closely at ADI (in Albanian: Asociacioni per Iniciativa Demokratike) with two of his lifelong friends, all 34 years old, all born in November and residents of Gostivar. Albert Muslie heads the board, Bujar Idishi is the Executive Director. They have successfully registered more people than any of the other NGO in Macedonia.

"We have no budget." Shpend smiles as he answers the question of how they did it. The bank statement has just arrived in the mail. It shows a balance of 557 dinars, enough for lunch. Each of the principals has donated their own money to fund the project, now known as the Kosovo Refugee Information Network. Albert is a veterinarian, and owns three businesses. Bujar is finishing his doctorate and teaches. Shpend's legal practice is practically non-existent since he devotes almost all this time to the refugees. ADI was formed in 1994 to promote the civic sector and teach the fundamentals of democracy. When they first formed, there was suspicion that they were an anti-governmental organization and was assumed they were a front. The idea of being non-partisan was a foreign concept. ADI sponsored the first debate for political candidates in Macedonian history. Over five hundred people attended the mayoral debate in Gostivar. Before the event, they had to teach each candidate what a debate was, how to answer questions, and how to be polite. When the refugee crisis began, they were asked to join the Emergency Council.

The ADI center has 20 computers. For \$27 a month, students learn computer skills, take classes, and work on projects. Students who take the classes are obliged to attend courses on human rights and environmental protection. Class fees pay the rent, telephones, teachers and overhead. Any other expenses are paid out-of-pocket by the three principals. When Kosovar high school students needed bus passes to go to Tetovo to attend technical schools for law, medicine, and engineering, they paid it themselves. If they need computer equipment, they charge it to their credit cards.

As the refugee crisis mushroomed, they began a registration process with the host families, recording the name, age, town of origin, and other data and opened a two-phone hotline. The international aid organizations wouldn't allow them into the camps. They persevered. John West created an on-line web page for them in London. Calls began pouring in, up to 5,000 in a single day. ADI now has 600 volunteers, mostly Kosovars who register new arrivals, answer the phones, or who await new tasks. For reasons both understandable and not, the international non-governmental organizations do not hire locals, or if they do, not Kosovars. In the camps are Kosovar engineers, doctors, lawyers, cooks, nurses, and counselors. In the camps, all those positions are filled by highly compensated outsiders, driving to and from the camps in new \$40,000 SUVs. ADI, more than any other organization, has been able to engage the Kosovars in helping themselves, building experience, knowledge, and local capacity. They are completely unfunded. None of the aid money that has come thus far to Macedonia has been given to them. Meanwhile, their switchboard has reunited families all over the world and region.

John West has brought in donated Psion palmtops. Although initially seized by customs, they were finally released. Fifteen are leaving with him today in his backpack to Tirana. It will be the first registration of Kosovars in Albania. Within two days, 12,000 more names have been added to the ADI database. And they are starting to get into camps in Macedonia finally.

In a cafe in the village of Cegrane, Shpend and I are meeting with a CARE representative at his request. Kelly is a fiftyish, with gray hair and rapid fire speech. He takes notes as he speaks. He wants to know what ADI is up to. Simply and clearly, Shpend explains. Kelly interrupts as soon as he hears something he doesn't understand or thinks is unfundable. He is here to do research for CARE. They want to focus on one camp, probably Cegrane, and realize that they need to focus on the region, not just the camp. As the many projects ADI is involved with are explained, they are dismissed one by one.

"Can't do that, no controls."

"Wouldn't even try to propose that, not our kind of thing."

"No, can't help the local clinics. All the drugs need to be FDA approved."

"Never get that one past the bureaucracy."

His fingers are drumming his notebook the entire time. He seems impatient. He is the White Rabbit darting glances over his shoulder.

I ask Kelly what he can do. People need food, medicine, bedding, money, postal and phone access, and kids need education. Surely CARE can do something.

"We like schools. We can do something with schools, maybe fix one up, get some books, fix the toilets. But it is hard to get things done here."

"Why?"

"Because Macedonia has a functional economy. We aren't used to that. We usually come into a situation where there is nothing. Like Rwanda. There we create everything from septic tanks to kitchens to hospitals. We just aren't accustomed to working with a functioning society."

I have met another woman who has lost her family. It is for a reason. I had decided before leaving to adopt one family, to provide a monthly stipend for the indefinite future. Like Roza, she has two children. Drita is 26, her two boys are 16 months and 3 1/2. Raymond giggles on his mom's lap. He is blonde, fat-cheeked,

and is charming the room. His older brother is named Demokrat. Her story is the same as Roza's and for good reason. Raised in the same city of Obrina, they married brothers. The brothers were killed together with yet another brother. Drita and Roza live with Bashkim Jakupi in a half-finished two-story, clay brick house. Bashkim's wife, his two children, father, mother, and two sisters share their home. Roza and Drita Kurti live upstairs in the unfinished part. Bashkim is unemployed. He drives a truck for pay, but his love is metalworking. He and his father make bronze minarets for mosques.

On the way back to Skopje, we pass the strawberry fields again. This time we stop. I want to buy a bucket for my driver, and take another back for Ryan, John, and Paul. It is 120 dinars per plastic pail. Our stop has attracted attention from the fields. Pickers, all men, come up the bank to watch. It seems that the plastic containers must stay. Goran and I search the car for a container. There is nothing. We are looking everywhere. There are now twelve boys and men surrounding us, watching the transaction. We say we will bring the plastic pails back tomorrow on our way back to Gostivar. No, they need them to pick with. They offer a crate but it is far too much. A boy runs to the shoulder of the road. Garbage is wind-rowed alongside the roads as mini-landfills dot the otherwise pristine landscape. He pulls out an old plastic bag from the garbage and holds it up as if to say, will this do?

Under my door is the schedule for Bianca Jagger's "Mission to Macedonia" sponsored by the UN World Food Programme.

Wednesday 12 May

12:45 p.m. Arrive Skopje

2:30 p.m. Bianca Jagger to meet children of the camp as they return from school. SUGGESTED TV, PRESS, PHOTO OPPORTUNITY.

3:15 p.m. Bianca Jagger hosts a World Food Programme "picnic in the park" for the children of Senekos camp. Song and games. SUGGESTED TV, PRESS, PHOTO OPPORTUNITY.

5:00 p.m. Bianca Jagger serves bean soup to refugees (made with WFP supplied ingredients) SUGGESTED TV..... etc.

Thursday 13 May

8:00 a.m. Bianca Jagger to make bread at Islam Musli Bakery with WFP supplied ingredients. SUGGESTED TV.....etc.

8:45 p.m. Depart in Bread Truck for the camp (Blace if open, or Stenkovac 2) SUGGESTED TV.....etc.

9:30 a.m. Bianca Jagger to distribute bread at camp, followed by a tour of the camp. SUGGESTED TV.....etc.

10:30 a.m. Depart for Blace border, visit to deserted camp and border crossing.

11:30 a.m. Return to Hotel

Drita and Roza want to go back to Kosovo. The Macedonian government calls them "Humanitarily Assisted Persons" which means they do not have refugee status. If there is a settlement between Milosevic and NATO, they must return. Even if it is winter. Even though they have no money, family, house or job. And no papers or identity. It seems bizarre, chaotic. But it is not. Every step logically leads back to failure by the US and Europe, failure to confront Milosevic and prosecute him as a war criminal, failure at Dayton to include Kosovo on the agenda, the granting to Milosevic the status of leader and arbiter, the failure of Rambouillet, the obsessive need for Clinton and Gore to win elections instead of exercise leadership. Long before the question of ground troops or bombs arose, other questions were put aside by the US and Europe for the sake of expediency. Kosovars have paid the price, and the world may be thinking this is just a messy Balkan war. But Turkey is watching. If Serbia is weakened to too great an extent, it may become prey, not predator. If Serbia becomes prey, Russian nationalism may rise to deflect its own misery and domestic failures. China's anger has been unleashed. Anti-American feelings have never been higher in Europe, perhaps in the world.

Something deeply unsettling has happened. It is not exactly like a holocaust, not yet anyway, but the events feel primordial and obliterating. Men and women and children thrown down into wells and then blown up with hand grenades. The extermination of thinkers and writers, the utter degradation of women in front of their children. It may be, as some have proposed, that violence is like a virus, that epidemiology better describes its spread than political theory. As mores ebb and lawlessness ascends, there is an upwelling of inhumanity. The bombing is part of that lawlessness, drawn into the disease vector. This is not like Germany or Japan. There is no empire in Serbia. It is a weak but gritty country. In its place, an empire of hate has arisen, we are now part of it, and it may be harder to extinguish than any leader or government.

A day after leaving Skopje, we were walking in Paris which is no further from the capital of Macedonia than Denver is from San Francisco. Long queues snaked out of L'Orangerie for the Monet exhibit near the Place de la Concorde. The chestnuts and sycamores had leafed out in the Jardin de Tuileries, boats scooted across the pond near the Louvre guided by children and bamboo poles. On the Pont des Arts, 70 oversized sculptures by Senegalese sculptor Ousmane Sow stood, bowed, kneeled, and writhed in a Guernica-like trance state, their eyes bulbous and unsettling. The bridge was mobbed. We moved slowly past Masai warriors, Nuba wrestlers, and the Battle of Little Big Horn, Custer and Sitting Bull, looming over us on their horses, their mountainous physiques creating as erotic and compelling a battle scene ever seen. At the edge of the bridge stood a perfect, small golden Tutankhamen mime. At his feet was a hat half-filled with francs and centimes. Whenever a coin fell, the statue would bow. A old man came up to us and exclaimed, "C'est un homme vivant!" Ryan laughed and said "Oui, je sais, je sais." I walked up and looked directly into the mask. Inside a mirthful brown eye winked. "Mais oui, je suis vivant," he laughed. Paris was aglow, vibrant and civilized.

Announcements

Meadows Columns on the Web

For Balaton members who haven't yet discovered this: You can access and download any of **Dana Meadows's** weekly newspaper columns at the IISD website: <http://iisd1.iisd.ca/pcdf/meadows/default.htm>. There's lots of cool stuff on that website as a whole — look around if you haven't already.

New Systems Thinking Playbook

Dennis Meadows and Linda Booth Sweeney have tested and selected another ten games for the *Systems Thinking Playbook*. Section III of the playbook should be available in draft form by the time of the Balaton Group meeting.

News from the Members

Alan AtKisson and **Melita Rogelj** have moved their temporary home to New York City — that is, for those rare days when they are home. They are both traveling, it seems, almost all the time.

Melita recently finished her Master's coursework at the School for International Training, and is now working on a project to explore and catalogue trends in art and sustainability under the umbrella of Sustainability Institute. She also recently graduated from the LEAD program to become a LEAD Fellow. If you have any ideas, thoughts, leads, contacts etc. on art and sustainability, please send them to her at melitarogelj@hotmail.com.

Alan is consulting to sustainability initiatives in the U.S. and abroad, and preparing to promote his new book, "Believing Cassandra," which is due out this fall in the U.S. The book will be published by Chelsea Green, the same folks who did "Beyond the Limits," and it translates the message of "Limits," systems, and the vision of sustainability to a wider, more popular audience. Cassandra was the prophet of Troy whom Apollo cursed so that no one would believe her predictions of disaster. "Believing Cassandra" is about how to make the Cassandras of our time (including many of us Balaton members) wrong, by getting enough people to believe the predictions and to take the necessary steps to avoid them becoming real. There will also be a new CD to go along with the book, with some of the Balaton Group's favorite songs on it.

Alan and Melita's new home address in New York is

392 Central Park West, #8S
New York, NY 10025 USA
Tel. 212-222-7428.

For business, Alan still has an office address/mail box/forwarding service in Boston (which has also recently changed):

198 Tremont St. #166
Boston, MA 02116
Tel. 800-404-4208.

* * *

An early-June message from **Bert DeVries**:

I just returned from a very pleasant and interesting week in Copenhagen. I greatly enjoyed the hospitality of **Jørgen and Bente Nørgard** — it is so much nicer to stay in their Balaton Hotel than in any other hotel I can imagine. We also had a nice dinner at **Niels and Benedicte Meyer's** place, enjoying the warm Copenhagen evening weather and sunset.

The real reason for my visit there: discussing, with amongst other **Joe Alcamo**, the contents of Chapter 2 of the IPCC Working Group III report, and attending, with amongst others **Niels Meyer**, an IPCC Expert Meeting. The most interesting result, for me at least, was that the qualitative multiple storyline / scenario approach of the SRES-team was welcomed almost unanimously in its capacity to provoke imaginative thinking about the future and to evoke clearer and more value-explicit images of possible [world] futures. It was also reassuring to hear from most speakers, especially from those from the less developed regions, that the issue of climate change cannot and should not be separated from the broader issue of sustainable and equitable development. In Munasinghe's words: "we should aim for sustainability and see climate change mitigation as a positive side-effect." This is all the more important as the first GCM-simulations (done by Wigley and his team at NCAR) indicate that perceptible differences in temperature rise between a Business-as-Usual scenario and a 550 ppmv stabilization scenario will probably not arise before the year 2040.

I presented at the meeting some preliminary results of possible mitigation strategies in the B1 and A1 future. The participants of last year's Balaton meeting will remember the names A1 and B1, I guess. The IMAGE-team has recently finished a publication on the IMAGE B1 Marker scenario, which will appear in the autumn. I hope to finish a paper on all 4 scenarios before September - and this work has greatly benefited from the discussions and presentations of last year's Balaton meeting.

How about this year's meeting? We have chosen to attempt to envision a desirable, sustainable future - and my hope is that we are able to collect stories from all over the world which will fill in the B2 storyline of the IPCC scenario set. It still is the weakest of all four if only because the available models cannot deal with all kinds of diversity. Yet, it is also the preferred vision of many people.

So here is a request to all who read this *Bulletin*: Who can spend some time in searching for a real-world event, process, community, experiment which fits into the B2-view of a world, which aims at sustainability, equity and sufficiency at the local / regional level? And if you find it, who is willing to make a one-page description and send it to me? I still feel that it would be wonderful if we can communicate such real-world initiatives to the Business-as-Usual world in the format of a well-referenced, qualitative and quantitative scenario as part of the IPCC-process over the next 2-4 years.

Quite another topic. You may remember that during the last three annual Balaton Meetings, I have discussed with several people the possibility to map the evolution of human civilization in interaction with the biosphere during the last 5-6 millennia. I have been searching for funds to support such a project, but this has been unsuccessful until last year.

In February of this year, I was visited by three people from the Hollandsche Maatschappij der Wetenschappen (Dutch Society of the Sciences) in Haarlem. They had read our Targets book "Perspectives on Global Change" and asked me for suggestions how to use the Targets research as part of the 250-year celebration of the Maatschappij.

In subsequent discussions, it turned out that they are very enthusiastic about the aforementioned project, which I have given the tentative title "Mappa Mundi." Based on a preliminary project proposal, they have granted me travel money to work out the proposal in more detail. As a first step, I have decided to spend my 3-month sabbatical leave in the period September-December 1999 in writing this proposal. I have, as a first step, sent out a letter to some Balaton Group members with a more specific request to assist me. I consider this project not just a personal interest but also a common undertaking which could synthesize some of the unique experiences and insights of the Balaton Group. Any suggestions from any of you via this way are most welcome.

tel. 31-30-2743533 (work)
 31-30-2519413 (home)
 fax 31-30-2744435
 work) email bert.de.vries@rivm.nl
 RIVM, P.O. Box 1, 3720 BA Bilthoven
 Netherlands

* * *

From **Hunter Lovins**:

Rocky Mountain Institute has had a fairly busy spring and summer. The new book that Amory and I wrote with Paul Hawken, *Natural Capitalism*, is off (finally) to the publisher. (Whew). It should be a helpful book for folk who are trying to convince business people that sustainability matters. The thesis was previewed in the May/June *Harvard Business Review* and is posted at www.rmi.org/HBR-RMINatCap.pdf. The book should be at your neighborhood (U.S.) bookseller end of September, published by Little Brown in New York and Earthscan in London. Bertelsmann will do the German edition in March 1999. We are looking for other publishers in other languages.

In June, RMI was able to sell its E Source business (www.esource.com) to the Financial Times group. This will have the double benefit of getting E Source the expansion capital and strategic relationships it needs to become even more effective in delivering information on electric efficiency, and annuitizing the flow of revenue to RMI, giving it greater financial stability.

Amory and I will spend much of the summer doing a major edit of and update of his *Small Is Profitable* manuscript. This piece describes for the first time the numerous diseconomies of scale of large power plants, and how counting the ~75 benefits of small-scale production can increase its economic value typically an order of magnitude. This can even make solar cells cost-effective now in many applications. The book should be available from Rocky Mountain Institute in 1999 for ~\$50, and like all RMI publications, will be available via www.rmi.org.

Amory is just back from Austria (representing us both at the 20th Reunion of the Right Livelihood Award recipients — I was home healing a broken leg from having a horse roll on me), Switzerland and Germany (getting some of the capital we need to spinoff RMI's Hypercar Center into a for-profit, Hypercar Inc.), England (teaching *Natural Capitalism* at Schumacher College), Sweden (keynoting the VALDOR risk conference), and Helsinki (introducing *Natural Capitalism* to industrial and government leaders). He'll probably return to Europe in September and December, and may get his first trip to Brazil in August. The Hypercar work is going well — see the open-source chronology of recent market developments at www.hypercar.com. And in April, Amory and Brett Williams presented at the National Hydrogen Association the widely noted paper "A Strategy for the Hydrogen Transition" (www.hypercar.com/go/whatfgo.htm reprinted in the previous issue of the *Balaton Bulletin*), which is what it sounds like — profitable at each step, starting now.

* * *

Dana Meadows has (almost certainly) sold Foundation Farm in New Hampshire and will be moving in November to Cobb Hill, the new farm and ecovillage and Sustainability Institute three miles across the river in Vermont. She and her household will live for about a year in the old farmhouse, while the new ecovillage is under construction. The new organic farm will start up there next spring.

The ecovillage is at the stage of final permitting — which has been a difficult process, because the design calls for unconventional water and wastewater systems, tight clustering of houses, minimization of roads and parking, very small houses with very good insulation, etc., etc.,. The good part of this long process is that hundreds of people are being educated along the way — bankers, lawyers, regulators, town officials, neighbors, newspaper reporters. So the project is doing its work even before it is built.

Eleven households are now signed up; the project is designed ultimately for 22. If all goes well, construction will begin next spring, and move-in will commence in the fall of the year 2000.

The Sustainability Institute is busy modeling the material and money flows of three commodities: corn, forest products, and shrimp. There is also a project working with **Bob Wilkinson** and his rapidly growing city of Santa Barbara, California, on modeling and gaming the process of urban sprawl. The Institute is doing local networking of Vermont groups working toward sustainability in partnership with a project called Vermont 2020. And the Institute is proud to have as its Director of Arts and Culture **Alan AtKisson**, who has just, with the help of an Institute grant, finished a wonderful book called *Believing Cassandra*, in which the Balaton Group and various Balaton members play major roles.

* * *

Gillian Martin Mehers emails:

I just wanted to give you a short update on our recent International Session and the work **Dennis** and I will do this fall - hopefully I will be able to draw in a few other Balaton Members along the way. I will be happy to meet them at the meeting in September.

LEAD had an International Session from 11-22 April which was held in Durham, NH and New York City. This was the Graduation for our 6th Cohort of LEAD Associates of which **Melita Rogelj** was one. We have seen the results of her interesting visioning study which she conducted during this International Session. The

session was opened at the New England Center in Durham and the first night, **Alan AtKisson** spoke and entertained the 185 LEAD Associates with his music.

The LEAD Associates each participated in the Universal Challenge Course at The Browne Center where Dennis was one of the trainers (he also spoke at the session). The teambuilding component was really a highlight of the Session—we took so many excellent photos that one would think that tree climbing is all that we do at these workshops!

Dennis and I, with funding from GTZ, will continue to develop the teambuilding module which was originally funded by Sasakawa through **Masayo Hasegawa**, who is the LEAD Program Director in Japan. We will be conducting a Train-the-Trainer course in Bali and then with the participating trainers (LEAD Academic Directors from our Program Countries) will deliver the course at a LEAD Regional Session where Associates from LEAD-Japan, LEAD-Pakistan and LEAD-Indonesia will attend. We hope to do two more such tests of the training materials in the next 6 months.

That's the news for now,
Cheers, Gillian

* * *

Matthias Ruth has good news about an exciting project:

I have recently received a 3-year grant by the US EPA STAR (Science to Achieve Results) program to develop an integrated analysis and to carry out modeling of the Impacts of Climate Change on Infrastructure Systems and Services in the Boston Metropolitan Area. The grant will bring together Civil and Environmental Engineers at Tufts University, Geographers and modelers at Boston University, planners at the Boston Metropolitan Area Planning Council, and stakeholders and the public in the greater Boston area. We will develop a dynamic model of the area's infrastructure systems covering past changes, construct scenarios for the years 2000-2100, and design indicators for investment and policy decision making.

Matthias Ruth, Associate Professor
Center for Energy and Environmental Studies
and the Department of Geography
Boston University
675 Commonwealth Avenue, Suite 141
Boston, MA 02215, USA
voice: (617) 353-5741
(617) 353-3083
fax: (617) 353-5986
mruth@bu.edu

* * *

A joint note from **Malcolm Slesser** and **Jane King**:

You ask for suggestions for vision for Balaton '99. Unfortunately we must put aside utopian visions. We know from experience they do not work or last. Vision needs to be pragmatic, taking account of the imperfections of human nature. History tells us that we are never satisfied. However much we have, we want more. Indeed, part of the pleasure of life is the struggle, and here I think is part of the solution. Without struggle life is boring; indeed meaningless. Yet, what must be engineered is the avoidance of hopeless struggle, which afflicts so many in the world today. Is there anything to learn from control theory? Control is only possible if there is a criterion and an error. The difference between the two is the signal for action. In social terms that action is the struggle. For control to be possible supply must at least equal demand. Demand in much of the world today is pure consumerism. How can that supply be generated at those levels where the struggle is presently hopeless? Though Balaton has often talked about inequalities of world society, it has never actually entered the fray. In generating scenarios of possible futures we must always hold firmly to what is physically possible. It is axiomatic that that which is physically impossible cannot be economically or socially possible. The converse does not hold, though. So systems must be designed to re-order the economic system to match the physical potential. This is not a static potential, but how it grows/declines/changes is very much a social and economic issue.

Have fun in Balaton in 1999.
Malcolm

Of course a vision has to incorporate what we hold to be dearest in life - a rich diversity in nature, understanding and closeness in human relationships, time for the non-material things in life and so on. Many of those things will of course be qualitative and outside the realm of physical modeling. Sometimes, though, visions can be totally unrealistic: things like solar-powered liners bearing tourists toward some warm clime at record breaking speed. Some amusing but sadly unattainable examples of out-of-the-hat scenarios like these are given in the European Commissions 20-20 futures report

Of course we have to have wider, human objectives to guide our collective existence. After that the hard part begins. How can we ensure the conditions in which such objectives may be attained? That is where physical po-

tential bit comes in. If physical reality constrains our vision then we have to modify, delay or reorganize our objectives until we come out with something acceptable. As modelers, Balaton members will need no urging to understand that.

All this we had in mind when we made our natural capital accounting models of Europe and the UK. Strangely, perhaps, it was not at all easy to get any even general idea of where the people as a whole wanted to go (though the EU had provided the totally unrealistic "visions" I referred to). We had rather to start by seeing what it would take, physically, to avoid current conditions being eroded. Within that framework we then looked at a few things which might be advantageously changed in the future such as more benign transport systems, organic agriculture, doing without nuclear, etc. One outcome, incorporating a hydrogen driven economy, is a vision in the sense that it provides a "workable framework" for a physically e future within which more qualitative or spiritual visions really can be realized.

It will be great if Balaton this year can come out with some realistic visions that can guide us in our collective effort to model physically attainable futures.

Good luck and best wishes to all who will be there.
Jane

* * *

Betsy Taylor writes:

Some time ago, John Peet and several others were looking for materials that might be useful in educating individuals about the hidden environmental and human costs of excessive consumerism. The Center for a New American Dream has published a few things that Balatoners may be interested in. We have a guide to seven popular education programs that address consumption. Entitled "Easy Does It", this guide provides an overview of self-education programs for small groups that want to grapple with the question, "how much is enough?" It is available for \$5 (US). We also have a popular bumpersticker, "More Fun, Less Stuff" (\$2) and a brochure "Tips for Parenting in a Commercial Culture" (\$2), all geared to raising consciousness about the need to challenge the "more is better" definition of the American dream. Finally, Balatoners interested in consumption may want to check out our website: www.newdream.org We continue to update and expand the resources on this site and we currently have resources and organizational contacts addressing many facets of consumption.

Some Vision Exercises

by Dave Ellis

You know the story of the three brick masons. When the first one was asked what he was doing, he answered gruffly, without even looking up, "I'm laying bricks." The second one replied, "I'm building a wall." The third said, with pride and energy, "I'm building a cathedral!"

— Margaret M. Stevens

How different our lives are when we really know what is deeply important to us, and, keeping that picture in mind, we manage ourselves each day to be and do what really matter most.

— Stephen R. Covey

(The quotes above and the exercises below are taken from Dave's wonderful book Creating Your Future, New York, Houghton Mifflin Company, 1998.)

Describe in writing a time when you created your future and were pleased with the process and results. Recall an important goal that you set and met. This can be any goal, large or small. Describe this event. Remember all the details — sights, sounds, smells, feelings. Describe the strategies you used to achieve what you planned. Right now, describe in writing how you could use some of those successful strategies to meet one or more of your present goals.

During the next 24 hours, observe how you fill your conversation space. At any given moment, check to see whether your conversation rests in the past, present, or future. If you're dwelling in the future, notice whether your focus is on worry, prediction, or creating what you want. You can observe the same in the conversations of other people. Avoid self-judgment while you do this process. Regret or self-reproach might keep your conversation about the past more firmly in place.

Take a few minutes to list your personal beliefs about setting goals, along with any feelings about those beliefs. (Examples: Things never work out the way I want. I just don't have the money or resources or time. I want to know how to meet my goals before I commit to them. My family or friends won't approve my goals. If I really want to achieve something, I'll make time to do it. I've set goals in the past and met them. I can involve my family and friends in creating my future.) Choose the beliefs that no longer serve you and replace them with new ones that help you create the future.

Spend five minutes drafting a one-sentence statement of your purpose in life. (It can be a long sentence!) A purpose is not necessarily a goal to be achieved; it is an overall direction in which you can travel for the rest of your life. A single life purpose can generate many goals. Do this exercise again with a group. Share your statement and listen to those of others. Rewrite your purpose statement as many times as you like. Use words that truly move you and inspire action.

Imagine you've just won a lottery with a jackpot of \$5 million. (If that's not enough to free up your imagination, raise the amount!) Describe what you will be, do, and have during the rest of your life. Write down a list. Then go over the list and look for goals you could meet with no money, or with money granted to you by others.

Protect your goals from dream stealers. Dream stealers are people who discount or deflate your dreams. Their tools are comments like "No one has ever done that." "Oh, come on, be realistic." "Just who do you think you are, anyway?" Dream stealers could be the most well-meaning people, even your best friends. You can protect yourself from dream stealers. Ask people not to rain on your parade. Ask for non-judgmental listing. Enlist active support. Speaking about your goals with doubt or reluctance is like posting an "argue with me about this" sign on your forehead. Release reluctance, give up shyness. Share your dreams with pride and enthusiasm.

Seek out dream catchers, people who will affirm your vision. Practice being a dream catcher for others.

Sustainability is an Infinite Game

by James P. Carse

(The following excerpts provide just a taste of a remarkable book called *Finite and Infinite Games: A Vision of Life as Play and Possibility* by James P. Carse, New York, Ballantine Books, 1986.)

There are at least two kinds of games. One could be called finite, the other infinite.

A finite game is played for the purpose of winning, an infinite game for the purpose of continuing the play.

It is an invariable principle of all play, finite and infinite, that whoever plays, plays freely. No one can play who is forced to play. Whoever *must* play cannot *play*.

A finite game comes to an end when someone has won. We know that someone has won when all the players agree who among them is the winner. No other condition other than the agreement of the players is absolutely required in determining who has won.

Only one person or team can win a finite game, but the other contestants may well be ranked at the conclusion of play.

Just as it is essential for a finite game to have a definitive ending, it must also have a precise beginning. Spatial boundaries are also evident in every finite conflict, from the simplest board games to world wars.

Persons are selected for finite play. We cannot play if we must play, but it is also the case that *we cannot play alone*. We must find an opponent, and in most cases teammates, who are willing to join in play.

Infinite players cannot say when their game began, nor do they care. Their game is not bounded by time. Indeed the only purpose of the game is to prevent it from coming to an end, to keep everyone in play.

There are no spatial or numerical boundaries to an infinite game. There is no question of eligibility, since anyone who wishes may play an infinite game.

Finite games can be played within an infinite game, but an infinite game cannot be played within a finite game.

Infinite players regard their wins and losses in whatever finite games they play as but moments in continuing play.

Finite games must have internal limitations on what the players can do to and with each other. The rules of play will be different for each finite game. It is by knowing what the rules are that we know what the game is.

The agreement of the players to the applicable rules constitutes the ultimate validation of those rules. Rules are not valid because the Senate passed them or because God pronounced them. They are valid only if players freely play by them. There are no rules that require us to obey rules. If there were, there would have to be rule for those rules, and so on.

In a finite game the rules may not change in the course of the play.

The rules of an infinite game must change in the course of the play. The rules change to prevent anyone from winning the game and to bring as many persons as possible into the play.

The rule-making capacity of infinite players is often challenged by the impingement of powerful boundaries, such as physical exhaustion or the loss of material resources or the hostility of nonplayers or death. The task is to design rules that will allow the players to continue the game by taking these limits into play. This is equivalent to saying that no limitation may be imposed against infinite play. Since limits are taken into play, the play itself cannot be limited.

Although whoever plays a finite game plays freely, it is often the case that finite players will be unaware of their absolute freedom and will come to think that whatever they do they *must* do.

When infinite players enter finite games, they do so without the seriousness of finite players. They embrace the abstractness of finite games as abstractness, and therefore take them up playfully. They freely use masks in their social engagements, but not without acknowledging to themselves and others that they are masked.

To be playful is not to be trivial or frivolous, or to act as though nothing of consequence will happen. On the contrary, when we are playful with each other, we relate as free persons and the relationship is open to surprise: *everything* that happens is of consequence.

Surprise in finite play is the triumph of the past over the future. The player who already knows what moves are to be made has a decisive advantage over the unprepared player who does not yet know what moves will be made. A finite player is trained to control the future, to prevent it from altering the past.

Infinite players continue their play in the expectation of being surprised. If surprise is no longer possible, all play ceases.

Surprise causes finite play to end; it is the reason for infinite play to continue. Surprise in infinite play is the triumph of the future over the past. With each surprise, the past reveals a new beginning in itself. Inasmuch as the future is always surprising, the past is always changing.

The exercise of power presupposes a closed field and finite units of time. Power is never evident until two or more elements are in opposition. Whichever element can move the other is the more powerful. Power is always measured in units of comparison. Power is a concept that belongs only in finite play.

In infinite play there is no way of making a definitive assessment of the power or weakness of earlier play. Infinite players look forward, not to a victory in which the past will achieve a timeless meaning, but toward ongoing play in which the past will require constant reinterpretation.

Infinite players do not oppose the actions of others, but initiate actions of their own in such a way that others will respond by initiating *their* own.

While the finite player plays to be powerful, the infinite player plays with *strength*.

A powerful person is one who brings the past to an outcome, settling its unresolved issues. A strong person is someone who carries the past into the future, showing that no issues are capable of resolution. Power is concerned with what has already happened; strength with what has yet to happen. Power is finite in amount; strength cannot be measured. Power refers to the freedom persons have within limits; strength to the freedom persons have with limits.

Power will always be restricted to a relatively small number of persons.

Anyone can be strong.

