

# Which wealth for which sustainability?

Sacha Kagan

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*Please note that the following text is the notes from which I made the speech/presentation. Therefore, this text does not include proper academic references, footnotes or bibliography.*

“There is no wealth but life”  
John Ruskin

For centuries, the question of wealth has been discussed by European and American economists in relation to the theme of the individual “good life”. Today, the issue of wealth, reconsidered under the perspectives of sustainability, is related to the question of what it means to “live well, together.”

The question of the “true source” of wealth is however, neither exclusively modern, nor exclusively European, as a historical legend from Sri Lanka illustrates (as reported in the *Lagoon Cycle*, a work by ecological artists Helen Mayer Harrison and Newton Harrison):

In the fifth century A.D. / when King Datusena was overthrown by his son / Kassapa / the son demanded of his father / the King / all of the royal treasures. / The king took his son to the treasury / and it was empty. He then took his son to the great tank outside the capital /the tank at Anuradhapura / and waded into it / and filled his hands with water. / Turning to his son / the King said: / This is my wealth / my treasure / and the wealth and treasure of us all. / The son / disbelieving / had his father killed.

Traditionally, in both the capitalist and former State-planned economies of Europe, “wealth” has been associated to material well-being as measured in terms of economic growth. The dogma of economic growth in the mainstream media and in economic policy is still dominant today. Often, ecological concerns, and the question of “Limits to Growth”, are met with glossy stories about “green growth”, “ecological modernization” and dreams of “cradle to cradle” industrial revolution. However, efficiency gains cannot forever push back the horizon, and we should not forget that the de-materialization of economic activities in the OECD countries is made possible by the displacement of industries to countries like China and India...

The controversy about growth, (which fostered alternative discourses such as voluntary simplicity, de-growth and post-growth economy), will be my entry point, but not my focal point today. Rather, I have been asked to talk about “wealth and sustainability”. And thus, I asked myself, which wealth, for which sustainability?

The story of King Datusena and his son Kassapa allows us to perceive several dimensions of “wealth”. Before coming to the other dimensions, I will first discuss the dominant, “economic” dimension of “wealth”, i.e. in the story, the royal treasury coveted by the young king.

## **First of all, why does economic growth, as traditionally measured, give us only a very narrow view of wealth?**

At the current levels of wealth redistribution, economic growth worldwide does not benefit the poor, and would only alleviate poverty if it were pushed to extremely unsustainable levels. An evaluation by the “New Economics Foundation” states that only 3% of the world's economic

growth (in terms of GDP) from 1990 to 2001 benefited the poor.

Furthermore, the crude measurement of economic development with GDP (Gross Domestic Product) has been under heavy criticism for several decades now although it still is widely in use today. Not only do GDP measures say nothing about the distribution of wealth. They also say nothing about those elements of human activity and well-being for which no direct or indirect market valuation is available. A country's growth, increased goods production, and expanding services have both "costs" and "benefits"--not just the "benefits" that are expressed in GDP.

Economic growth can damage the health, culture, and welfare of populations and it can reduce the ability of nature to provide services to humans.

This led some economists to suggest alternatives, such as the GPI (Genuine Progress Indicator – also known as ISEW - “Index of Sustainable Economic Welfare”), which takes sustainability into account. For example, to come back to the Sri Lankan illustration of the water tank: Agricultural activity that uses rainwater and river runoff, will score a higher GPI than the same level of agricultural activity that lowers the water table by pumping irrigation water from wells. The GPI is calculated by adding up a country's expenses (GDP), but also including sectors that are usually excluded from the market economy such as housework and volunteering, and then subtracting social ills such as crime, natural resource depletion and loss of leisure time.

And unlike the GDP, the GPI data for European countries and the USA show a decline over the last 3-4 decades. Own calculations by the German ministry of environment, published in 2009, also indicate a decline of the country's wealth, when GDP is corrected with social and environmental effects.

The GPI is rejected by neo-classical economists as imposing value judgments, by contrast to the 'objectivity' of markets. However, as argued by Mathis Wackernagel (one of the creators of the “ecological footprint” concept), the market itself is also a value judgment, as it dismisses everything but financial transactions. "Valuations are arbitrary judgments and the GDP is full of them. It says many things have the value zero, such as housework and the environment" The GPI figures aren't perfect, says Wackernagel. "But we think it's better to give a rough estimate than to say these things are worth nothing."

### **Second question: Does economic wealth indicate people's well-being?**

Some studies have claimed to show that the individual feeling of happiness in the USA has not increased significantly since the 1950's, although economic growth and individual 'purchasing power' have significantly increased. More generally, most comparative research on the feeling of happiness tends to demonstrate that, passed a certain level of material well-being, further increases in individual economic income do not clearly raise the level of happiness anymore.

I am not convinced that “happiness” is the best descriptor of an ultimate goal in life, nor that international, intercultural measures of happiness recently developed are reliable, but, still, the discussions on 'wealth and happiness' are worthy of interest.

One of my colleagues in Lüneburg, Jorge Gonzales, is cautious about comparisons of stated happiness (as indicated by surveys), but he does nevertheless claim that overall people in so-called developing countries are at least as happy as, or even happier than, people in so-called developed countries. Is this just a romantic tourist's yearning, or is there more to Gonzales' claim?

Gonzales discusses the pursuit of happiness along two poles:

- At one pole, humans strive for security, and are motivated by fear (of insecurity). The satisfaction of needs related to the pursuit of security, is a precondition for happiness, he argues, but not an attainment of happiness. As argued by some researchers, once a certain level of security has been achieved, further increases in economic wealth and satisfaction of further material needs/desires do not get us much closer to “happiness”. They may even work detrimentally to happiness, as fear and the pursuit of security turn into greed and addictive hyperconsumption, and as more growth, more material wealth, leads to more needs.

- At the other pole, humans strive for freedom, and are motivated by love, according to Gonzales. This, he argues, brings us closer to happiness. But here we may be drifting a bit into ethnocentrism. Geert Hofstede already pointed in 1984 at the cultural relativity of the quality of life concept, considering Maslow's pyramid of needs, with “self-actualization” at the top, as being typical of individualistic societies, whereas, according to Hofstede, in collectivist societies, the needs of acceptance and community outweigh the needs for freedom and individuality. Anyhow, whether we prefer Maslow's, Gonzales' or Hofstede's perspectives, the discussion here points at dimensions beyond the mere pursuit of economic security.

A number of indicators have been developed in the past two-three decades, which claim to measure and compare happiness, “quality of life” or “life satisfaction”, internationally. I will not discuss them in details today, but they are interesting especially because their attempts at measurements, their rankings, their methodological choices, can stimulate further questions about which outcomes to look for.

Indicators of quality of life usually include not only wealth and employment, but also the built environment, physical and mental health, education, recreation and leisure time, and social belonging. The most established indicator is the the Human Development Index (HDI), which combines measures of life expectancy, education, and GDP-per-capita. However, this indicator, used by the UN for its Human Development report, ignores ecological issues and non-quantitative dimensions altogether. More generally, many quality of life indices bear the risk of ethnocentrism, in their selection of indicators.

Measuring subjective happiness is no less problematic, as it depends on expectations, which themselves can collapse in dire situations: diminished expectations can then increase stated relative happiness, without necessarily meaning that the respondents are “living well together” to a greater extent than they did before their expectations went down. Nevertheless, several 'happiness' surveys have been developed, which I won't discuss in details now.

The word “happiness” is also used in indices which do not consist, or not only, of happiness surveys. Among the different indices, often discussed is that of “Gross National Happiness” (GNH) which has known several developments from the 1970's onwards, starting with its use in the kingdom of Bhutan. The GNH aims to combine material and spiritual dimensions of human development. Its 5 pillars are (1) human development (including health & education), (2) balanced and equitable development, (3) preservation of the natural environment, (4) preservation of culture and historical heritage, and (5) establishment of good governance.” The GNH index has been re-designed differently when applied in other countries than Bhutan. It is not an index that allows direct comparisons between countries, and some critics denounce its lack of consideration, in the case of Bhutan, for the expulsion of the Nepalese minority from the country.

In one of the late declinations of the GNH, elaborated in 2006 by Med Yones, of the International Institute of Management (Las Vegas), 7 dimensions are proposed:

- 1. Economic Wellness ;**
- 2. Environmental Wellness ;**
- 3. Physical Wellness** (i.e. related to health);
- 4. Mental Wellness:** (i.e. mental health) ;
- 5. Workplace Wellness:** (i.e. labor conditions, e.g. unemployment, job change, workplace complaints and lawsuits);
- 6. Social Wellness:** (i.e. social measurements such as discrimination, safety, divorce rates [note the conservative value judgment here !], complaints of domestic conflicts and family lawsuits, public lawsuits, crime rates);
- 7. Political Wellness:** (i.e. political measurements such as the quality of local democracy, individual freedom, and foreign conflicts).

Besides the GNH, another indicator has attracted some attention recently:

The “Happy Planet Index” developed by the New Economics Foundation in 2006, tends to demonstrate that truly sustainable happiness/quality of life cannot be achieved if the ecological footprint per capita of a country is too high. This index thus combines measurements of well-being and of ecological footprint (the index approximates multiplying life satisfaction and life expectancy, and dividing that by the ecological footprint). In short: The HPI measures the *environmental efficiency of supporting well-being* in a given country. Such efficiency could emerge in a country with a medium environmental impact and very high well-being (e.g. Costa Rica), but it could also emerge in a country with only mediocre well-being, but very low environmental impact (e.g. Vietnam). A country with relatively high well-being but also extremely high environmental impact, the USA, is ranked very low in the HPI (114<sup>th</sup>).

However, the HPI is criticized especially for completely ignoring issues like political freedom, human rights and labor rights.

Altogether, these different examples, in the search for alternative indicators, are moving away from the old-modern belief in a constantly growing material economic wealth as synonymous with a 'good & desirable life'. **How to better define wealth then, beyond the vicious cycle of economic wealth and economic want?**

Let's come back to King Datusena and his son Kassapa. It appears that the purely economic dimension of wealth is insufficient. Living well together, sustainably, is about reaching a minimum level of material well-being, so as to live in relative security, but this does not require an accumulation of material goods and an addictive consumer society. We are now still in the situation of Kassapa, who by killing his father, rejects his wisdom and refuses to recognize that his countrymen's wealth depends on ecosystems services, i.e. on **natural wealth**.

King Datusena, in the story, does not point at any random sort of natural resource. He points at a natural resource, rain water, which is renewable, and which is accessible thanks to a highly elaborate rainwater-harvesting system. (A system which the British colonists largely destroyed and then neglected.)

Nowadays, the idea of “ecosystems services” points at the vital services provided by nature to humans, rather than at the commodities it provides. For example, ecosystems services are clean air, clean water, fertile soils, productive oceans, pollination, pest control, regulation of local and global climates.

Quoting Janet Abramovitz, from the Worldwatch Institute: "Honeybee pollination activity is 60 to 100 times more valuable than the honey they produce. The value of wild blueberry bees is so great, with each one pollinating four to five gallons of blueberries in its life, that farmers view them as flying \$50 bills."

Recognizing natural wealth implies that we subordinate and harmonize economic wealth to natural wealth. This means, we should not only organize the economy into markets, but integrate the economy with ecosystems. We need to incorporate insights from complex thermodynamics (as understood by Ilya Prigogine), from the geo-chemical-biological cycles of global Earth systems ; from complex balances of ecosystems. We need to consider the Earth as an open system thanks to solar energy inputs, but only relatively open, within constraints (e.g. with non-renewable resources). Some researchers have been pointing at these realities for several decades already, proposing to integrate economics into them (as did for example Nicholas Georgescu-Roegen, or René Passet, with calls for a “Bio-economics”).

All of this is very different from the illusion that economic growth could be de-coupled from materiality, i.e. de-materialized.

But the nurturing context of natural wealth is not the only other dimension of wealth that the story

of King Datusena and his son Kassapa evokes. Besides economic wealth, and natural wealth, the story can be related to social, cultural and spiritual wealth:

- **social wealth**, i.e. the benefits coming from living together, as communities, i.e. what is coined nowadays as “social capital”. In the story, the water tank exists thanks to the collaboration of the community, and serves the community. The harvested water is not only a renewable natural resource, but is also the “commons”. Unfortunately, the dominant discourse nowadays tells us an individualistic story about the “tragedy of the commons” and sings the praise of the privatization of all commons.
- **Cultural wealth**, i.e. the benefits of being in-formed and inspired, and what some people call **spiritual wealth**, i.e. the benefits of being transcended, are also implicitly present in the performance by King Datusena: Wading in the water, he immerses himself totally, body and soul, in this wealth constituted by the harvested rainwater. Wealth here is experienced, as something meaningful, enabling, and empowering.

Cultural and spiritual wealth are of course not only constituted of the recognition and experience of natural resources, but of all the cultural diversity which is weaved in and around natural wealth. The mutually reinforcing imperatives of biological diversity and cultural diversity constitute the basis for a more complete understanding of sustainable wealth, with its natural, cultural, spiritual and social, not only economic.

Such a **sustainable wealth** is not an end in itself, but an enabler, a multi-dimensional capital which builds up “capabilities” (to use Amartya Sen's terminology). And which wealth of capabilities do we need, in order to become more sustainable societies? Complexity research tends to show that we need co-evolutionary capabilities, i.e. capabilities that allow humans to evolve together with non-humans, in the biosphere in which they are embedded. This deals with an **ecological wealth**, meaning more than just “ecosystem services” i.e. nature outside of ourselves – ecological wealth with a wide understanding of “ecology”, i.e. the “Oikos Logos”, the logic of our house. We need a multidimensional wealth of capabilities, and a capital of diversities, that allow resilience and emergence. Let me explain those last two words, shortly:

- **Resilience**: Resilience refers to a system's capacity to endure, withstand, overcome, or adapt to changes from the “outside” or from the “inside” environments. In other words, resilience points at the ability to survive on the long term by transforming oneself in relationship with one's environments. Resilience is the ability to absorb disturbances, to be changed and then to re-organise and still retain a relatively stable identity. It includes the ability to learn from the disturbance.
- **Emergence**: A concept which points at the creation of a new logic at the level of a system, whereby no analysis of the interactions between the different constituents of the system, can suffice to account for the arising of coherent and novel structures at the level of the whole system. Emergence is the engine of complex, unpredictable evolutions in nature and in societies. The logic of emergence is chaotic, bottom-up and rhizomatic (a rhizome is a polycentric/acentric network: e.g. roots of bamboo), as opposed to the constrained, top-down and hierarchic logic of human design and of modernistic development.

More specifically, **what can artists and cultural practitioners contribute to a sustainable wealth, especially in terms of cultural wealth?**

They can nourish the capital of diversity, and complement it with a capital of reflexivity and with the wealth of a sensibility to complexity. I am discussing in my work the understandings of “aesthetics of sustainability” (an expression that was already used by Hildegard Kurt some years ago, and which I am developing further). I cannot go in depth now into this topic. In a few words: Aesthetics of sustainability, as I propose to define them, have to do with developing specific sensibilities, which are:

- sensibilities to what Gregory Bateson called “the pattern that connects” i.e. the holistic connections between different realities; but also:
- sensibilities not only for holistic harmonies, but also for distinctions, conflicts, disconnections, i.e. sensibilities to manifold imbalances and injustices in nature and society;
- a sensibility for complex relations, i.e. the complex interaction of relations of unity,

complementarity, competition and antagonism. This is a sensibility that does not mistake transversality for a so-called universality. This is a sensibility that avoids both the simplification of atomistic, fragmented, modern knowing, and the simplification of holistic or universalistic knowing.

Fostering, enabling and sharing such a complex sensibility may constitute an important element of reflexive capabilities allowing resilience and emergence.

This is, I believe, a valuable task for cultural practitioners today, in order to develop cultural and spiritual dimensions of sustainable wealth, i.e. in order to live well together, today and tomorrow.

Thank you.

*This speech/presentation was followed by an discussion in the room. A video will be / is available from the website of the event's organizers. Please visit their webpage for more details, at: <http://www.bunker.si/eng/ready-to-change-an-experimental-forum-on-culture-and-social-innovation-in-europe-and-in-the-med-area>*