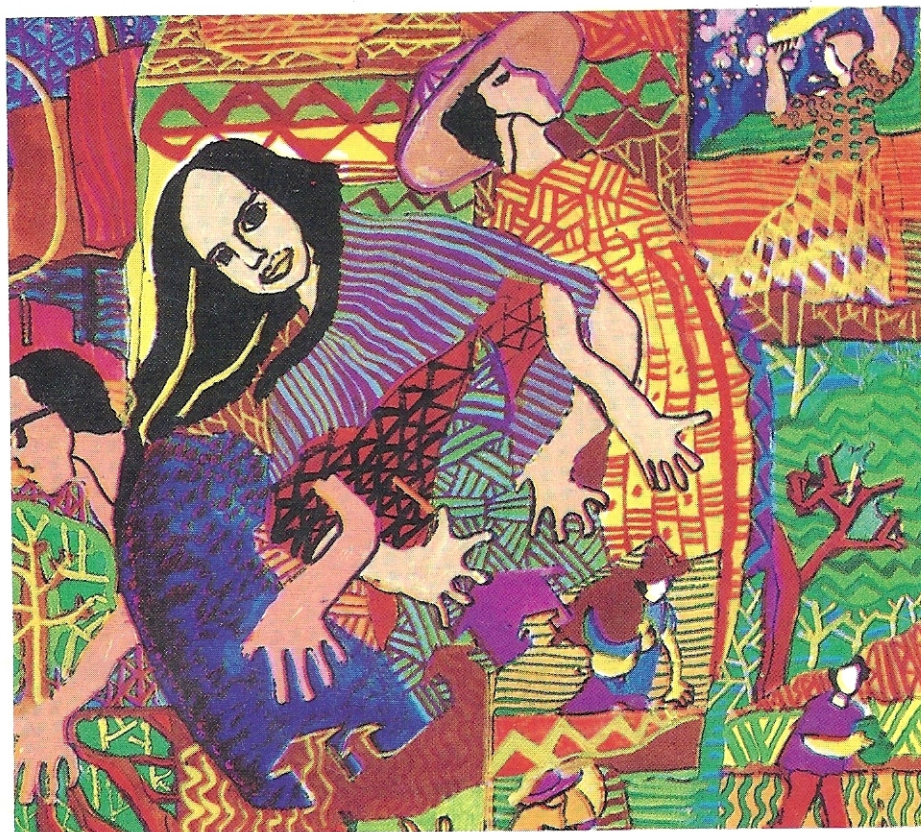


Economy, Ecology and Spirituality: Toward a Theory and Practice of Sustainability

ANGOC, IRED Asia and PCDForum



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Asian NGO Coalition for Agrarian Reform and Rural Development

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Preface

The failure of conventional practice of countries in both South and North is evidenced by an increasing gap between rich and poor and accelerating environmental and social disintegration. Pushed by this failure, there is global effort to build a commitment to an alternative citizen's vision of human progress built on just and sustainable human societies.

This monograph presents the outlines of an alternative theory and practice premised on the idea that the sustainability crisis is a direct consequence of development's contribution to disintegration. The disintegration is characterized by traces of human species becoming alienated from its spiritual connection to nature and community. The alternative theory presented herein offers a sustainable social practice which must decentralize and distribute economic power in ways that facilitate the restoration of this connection.

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Introduction

The United Nations Conference on Environment and Development (UNCED) focused world attention on the subject of sustainable development. Yet the official debates revealed little willingness on the part of the world's governments and multilateral agencies to address the transformative changes our collective global dilemma actually demands. The implicit order of priority in the first substantial chapter of Agenda 21 (Chapter 2) was trade, development, and environment. Its first admonition was to provide a supportive international climate for: "Promoting sustainable development through trade liberalization." It seemed that trade liberalization was the chapter's first concern. Indeed it explicitly admonished that environmental protection measures not be allowed to interfere with either the expansion of trade or development — in that order.

One might conclude that those who framed Agenda 21 were rather more concerned with protecting the interests of transnational corporations than protecting the environment. Furthermore, by equating development with growth, they ignored the basic truth clearly articulated by World Bank economist Herman Daly¹ that sustainable growth on a finite planet is an "impossibility theorem." Essentially, they are saying *forget reality*. To achieve sustainability, they tell us, we need more of the very same policies that have made the global economy unsustainable. The doctor whose medicine has produced deadly side effects on his patient now tells the patient that the answer is a larger dose of the same medicine.

Humanity has arrived at a moment of critical choice that presents a unique challenge to its collective intelligence and the technical and social advances it has achieved through its grand historical journey. A choice for status quo solutions will almost certainly lead to accelerating social and ecological disintegration. It could lead to the end of human civilization and even the extinction of our own species. The alternative, a choice for transformational change, can be more an act of collective survival. It may also set the stage for the next step in life's evolutionary journey.

The major hope for mobilizing social forces behind the affirmative choice is found within an awakened global civil society. This awakening is taking place. The energies unleashed by this awaking are coalescing around a people-centered citizen's vision of just, inclusive and sustainable human societies dedicated to enhancing the social intellectual, and spiritual growth of all people, celebrating the unity and diversity of life and maintaining a sustainable balance between the human uses of natural wealth and the regenerative limits of earth's living eco-system. This vision calls for an end to social and environmental exploitation by the powerful at the expense of the powerless. In their place, it envisions societies that empower people through economic and political decentralization to regenerate the local communities and ecologies that such exploitation has devastated. This vision was strongly manifest in the citizen treaties negotiated in the International NGO Forum at UNCED as summarized in "*The People's Earth Declaration*." (See Appendix A to this paper.)

The status quo solutions are backed not only by powerful institutional interests, but also by supporting economic theories operationalized in a system of national income accounting widely accepted as the authoritative measure of human progress and well-being. Most of human society has become so culturally conditioned by these theories and measurement practices that even those of us who espouse the need for alternatives easily slip into the embrace of their underlying assumptions. We who call for transformational changes will remain severely handicapped within the larger development debate until we are able to counter mainstream thinking from a strong theoretical footing and offer an alternative operational measurement practice. This article is a report on the ongoing collaboration among the Asian NGO Coalition, IRED Asia, and the People-Centered Development Forum toward the creation of a theory and practice of sustainability.

Prevailing Development Wisdom

According to current prevailing wisdom, development is synonymous with economic growth and is best promoted by privatizing

public and community assets, deregulating markets, removing barriers to the free flow of trade and investment among nations, and privatizing knowledge by guaranteeing the protection of intellectual property rights.

A Borderless World

The intent is to expand markets and increase production efficiencies by merging national economies into a single borderless global economy that allows the market to function with minimum interference. It is a bold vision of a world united in peace and prosperity that captivates proponents of both the traditional right and left. However, it results in a global institutional framework in which:

- It is left to technology and market forces to overcome any environmental constraints to perpetual economic growth.
- National economies are virtually eliminated and the primary function of national governments in the economy is to increase the international competitiveness of their locality by keeping wages low, helping investors avoid taxes and social and environmental regulations, and providing publicly funded social and physical infrastructure.
- Resource allocation decisions are determined purely by market forces to assure that ecological resources are allocated to whoever is willing and able to make the highest bid.
- Labor accepts subsistence wages and poor working conditions in the name of economic efficiency and international competitiveness.
- Transnational corporations enjoy unrestricted access to markets and to the cheapest sources of natural resources, capital, labor, and waste dumps — as well as a legally protected monopoly on technology — anywhere in the world.
- Economic policy is dictated by the Bretton Woods institutions — the World Bank, the International Monetary Fund (IMF), and the General Agreement on Trade and Tariffs (GATT) — to serve the interests of the major transnational corporations without the bothersome intervention of democratically elected legislative bodies.

Neglected Realities

Advocates of this agenda have been inclined to actively reject a number of basic realities, including:

- The ultimate dependence of all economic activity on the regenerative powers of earth's finite ecosystem.
- The tendency of unregulated markets to self-destruct as successful firms acquire ever greater monopoly power and the social and environmental costs of production are increasingly externalized to the point that the market itself collapses.
- The failure of markets to respond to the needs, even basic survival needs, of those who do not have adequate money.
- The democratic right of people to set and enforce environmental and social standards higher than prevailing international standards within their own self-managing communities.
- The essential importance of a healthy spiritual connection to nature, place, community and culture to the well-being of both the individual and society.

In the aggregate, these realities help to explain why global market integration often produces highly destructive social and ecological consequences that conventional theory and wisdom do not recognize — perhaps because these consequences are born primarily by the poor.

Development as Cruel Hoax

When Karl Marx spoke of religion as opiate of the masses he might as well have been referring to the catechism of contemporary economic theology that an expanding pie will bring universal prosperity to everyone. This widely espoused article of faith then becomes the foundation of arguments for a whole range of policies, including economic integration, that almost invariably favor the strong over the weak.

A simple bit of arithmetic demonstrates the point. Let us assume that the call of the Brundtland Commission for a global growth rate of 3% — without redistribution — were to be realized. In ten years time the average Ethiopian would be earning an additional \$41. The average American would enjoy an additional \$7,257.²

Without concurrent redistribution, an expanding pie brings far greater benefit to the already wealthy than to the poor, increases the gap between rich and poor, and increases the power advantage of the former over the latter. This advantage becomes a life and death issue in a resource scarce world in which the rich and poor are locked in mortal competition for a depleting resource base.

Among the faithful, the miracle of growth is not limited to alleviating poverty. Growth has as well been put forward as the cure for population growth, and more recently has been ingenuously proclaimed the best defense against environmental destruction. In each instance, the prophets who proclaim growth's miraculous curative properties neglect important truths. The step to sustainable reproductive and consumption behaviors depends not on aggregate growth in economic output, but rather on progress toward increased equity and greater security against absolute deprivation — neither of which is assured by growth. On the contrary, growth has all too often been associated with increased inequity and with the social, cultural and economic displacement of hundreds of millions of people.

As we will demonstrate in this paper, a commitment to equity is central both to the alleviation of poverty and to establishing a sustainable relationship between the human economy and the natural ecology.

Four Decades of Economic Growth

Assessed purely in terms of economic growth, the development experience of the past forty years has been an enormous success. On the average, in each of the four decades, from 1950 to 1990, the world added to total economic output an amount equal to that added from the beginning of human history until the middle of the present century. Global economic output is now roughly five times what it was when the global commitment to development was launched³ — an impressive record.

However, the vast bulk of the benefits of this growth accrued only to the privileged 20 percent of the earth's population that now earns 80 percent of the human burden on earth's ecology — those characterized in Table 1 as the world's overconsumers. It is not surprising that many, if not most, members of this privileged group consider forty years of development to be an unqualified success.

Table 1: Earth's Three Socio-Ecological Classes*

OVERCONSUMERS 1.1 billion >\$US7,500 per capita (Car-Meat-Disposables)	SUSTAINERS 3.3 billion US\$700-7,500 (Living Lightly)	MARGINALS 1.1 billion <US\$700 per capita (Absolute deprivation)
Travel by car & air	Travel by bicycle & public surface transport	Travel by foot, maybe donkey
Eat high fat, high calorie based diets	Eat healthy diets of grains, vegetables and some meat	Eat nutritionally inadequate diets
Drink bottled water and soft drinks	Drink clean water plus some tea&coffee	Drink contaminated water
Use throw-away products & discard substantial wastes	Use unpackaged goods and durables & recycle wastes	Use local biomass & produce negligible wastes
Live in spacious, climate controlled, single family residences	Live in modest naturally ventilated residences, with extended/multiple families	Live in rudimentary shelters or in the open. Usually lack secure tenure
Maintain image conscious wardrobe	Wear functional clothing	Wear second clothing or scraps

*This table is based on Alan Durning, "How Much is Enough?" (New York: W.W. Norton, 1992).

At the same time, there is a strong case to be made that the processes of this growth have played a significant role in the active impoverishment of the 20 percent of humanity that currently lives in absolute deprivation (characterized in Table 1 as Marginalized) and of countless others whose impoverishment has resulted in their premature and unnecessary deaths. Many of the remainder, the 60 percent of the population in the sustainer category who still manage to meet their basic needs in relatively sustainable ways, have suffered the disruption of their cultures and communities, a diminution of their identity and self-respect, and the anxieties of economic servitude in return for little more than a subsistence livelihood.

"For as much as 80 percent of the human population, the promise that growth brings prosperity has been a cruel hoax."

During roughly the same forty year period in which economic output expanded by five times, the world's population doubled. The number of people living in absolute poverty doubled. The gap between rich and poor doubled. Ecological devastation reached such proportions that it placed the future viability of the human species in doubt.

And indicators of a disintegrating social fabric, from crime and drug use to divorce, teenage suicide and economic refugees, increased at alarming rates in nearly every country of the world.

"Growth as currently defined is not itself a panacea for what ails human society. Indeed it is a major contributor to many of those ills. Yet growth dominates public policy, almost to the exclusion of other values."

From Growth to Sustainability

The UNDP has released a series of *Human Development Reports* that demonstrate growth is neither a necessary nor sufficient condition for the elimination of human deprivation. Indeed, they provide substantial evidence that the worst manifestations of human deprivation can be eliminated with relatively low overall levels of economic output—if this is the policy priority. This is particularly significant given the mounting evidence that the ecosystem will not support continued economic growth as we have known it. As documented in a collection of essays compiled by World Bank economists Robert Goodland, Herman Daly, and Serif El Serafy⁴:

- Economic growth has been heavily dependent on taking ever more physical materials out of the environment, processing them through the economic system, and disposing of the waste products back into the environment.
- Growth in this physical throughput has already reached or exceeded earth's environmentally sustainable limits.

Though the human economy continues to expand, the ecosystem on which it depends does not. The consequences are increasingly evident everywhere around us. The pollutants with which we have loaded earth's atmosphere are thinning the ozone layer and threatening massive climate changes. The soils on which we depend for food are being depleted faster than nature can regenerate them and the world's per capita food production has been falling since a record high in 1984. More and more localities face severe shortages of fresh water. Fish yields are declining. Forests are disappearing. Garbage is accumulating. In short, the human economy is expanding beyond its ecological niche. Continuing efforts to accelerate economic growth by expanding the economy's physical throughput only hasten the destruction of the ecological system's regenerative capacities, on which human survival depends.

It seems that nature is calling an end to the era of economic growth and the underlying mythology that growth is the cure for society's ills. We agree with the argument of Albert Gore, Vice President of the United States, in his book *Earth in the Balance* that sustainability — defined as balancing the environmental demands of human economic activity with the regenerative capacities of earth's ecosystem — must become the organizing principle of public policy.

It is time that we shed our obsession with growth and get straight on our values and what they mean for how we chose to allocate the sustainable regenerative product of the planet's ecosystem. The first priority in this allocation must go to providing all people, both present and future generations, an opportunity to meet their basic physical needs to a level that will allow continuing human growth in social relationships, creativity, intellect, cultural and artistic expression, spirituality, and productive contribution to one's community. Fortunately, real human development is neither dependent on nor well served by profligate physical consumption. Once a basic level of physical need satisfaction has been achieved, the appropriate focus is on quality of life, not quantity of consumption.

As we will argue later from a theoretical perspective, *there can be no sustainability without equity and the first step toward equity is to transfer the allocation of limited ecological resources from non-essential to essential consumption, from wasteful wants of society's overconsumers to the irreducible needs of society's marginals.*

The Need for Asian Alternatives

We in Asia have long defined our choices as between the Western capitalist system of economic theory and practice, and the theory and practice of Marxist socialism. It is ironic that while Marxist theory predicted the collapse of the capitalist economic system and presented itself as the single viable alternative to capitalist hegemony, its practice in the countries of Eastern Europe and Eurasia has collapsed in disarray. Now flush with a sense of victory over its fallen opponent, capitalism seems resolutely blinded to the self-destructive consequences of its own present path.

The evidence is mounting that both Marxist socialism and free market capitalism have failed the majority of human society, and for strikingly similar reasons.

- They both built economic systems that celebrated the destruction of the living systems of the earth as contributions to economic progress—the ultimate contradiction of any economic system that chooses to divorce itself from the most fundamental of life's realities.
- They both ignored the social and political consequences of concentrating economic power in unaccountable, centralizing institutions — the state in the case of Marxism and the transnational corporation in the case of capitalism.

There are other important similarities between these two competing systems of economic thought and practice.

- Both took a narrow economists view of human needs.
- Both equated growth in the economic output of the firm with improved human well-being and neglected the community as a natural economic unit. Both used essentially the same models of national income accounting.

Both systems were basically Western constructs, products of Western thought and experience. Neither is a suitable guide for Asia, which is home to more than half the world's people. The highly touted Asian economic miracle notwithstanding, of the world's 1.2 billion people who live in absolute poverty, more than half still reside in Asia. Asia's economic miracle has been a miracle only for a small fraction of Asia's peoples and holds little promise for the rest.

Asia faces a stark reality. The industrialism-consumerism model on which the practice of free market capitalism has been based has

depended historically on the ability of industrialized countries to colonize the resources of others. The scramble for the forests, lands, and minerals of Indo-China, Irian Jaya and Papua New Guinea is already underway. Where will Asia turn once these are exhausted?

Furthermore, if only China and India, with a combined population of some 2 billion people, were to heed the call of transnational capital and the Western governments to pursue the unsustainable Western economic model it would surely push the global ecological system into collapse well before providing overconsumer lifestyles for even a fraction of their citizens.

The case of Indo-China is particularly troubling. Vietnam, with its revolutionary traditions, is the second largest country in Southeast Asia. The social displacement almost certain to result from opening itself to the forces of the global market system could easily lead to a new outbreak of revolutionary violence with potential to destabilize the region.

Asia's hope for the future lies in a successful search for an alternative model of human progress. The goal should be a model that combines efficiency of resource use with a rediscovery of life's innate spiritual character and the inseparable spiritual connection of every person to nature and community. The former will require a creative melding of Asia's modern and traditional technological capabilities. These are already deeply imbedded in Asia's rich religious and cultural traditions. We believe that the theory of sustainability outlined below provides the foundation for such a model.

Toward a Theory of Sustainability

Progress toward correcting the dysfunctions of conventional development has been seriously hampered by the lack of an alternative theory. Without the benefit of a theory, corrective efforts almost inevitable focus on symptoms, which are usually visible, to the neglect of their underlying causes, which seldom are. The speed with which the dominant capitalist institutions are moving to consolidate their power through the creation of a seamless integrated global marketplace underscores the dilemma. As outlined earlier, the intent of the globalization agenda is to remove all restraints on transnational capital's insatiable thirst for ever increasing profits.

While opposition to the integrated global marketplace agenda has been growing among many grassroots movements, these groups have been unable to offer a theoretically grounded alternative framework for organizing the global economy. As a consequence, they have been limited to tinkering at the margins of the dominant model, for example calling for side agreements to international trade pacts to moderate their negative social and environmental consequences. Unfortunately, the dysfunctions of the prevailing model cannot be alleviated through damage control alone. We need a true alternative.

We believe that the essential elements of an alternative theory are at hand. The breakthrough in our own thinking about the theory problem came when we realized that what we were looking for was not an alternative theory of development, which almost inevitably buys into many of the assumptions of the prevailing growth model. The alternative we sought was a theory of sustainability, which begins from a wholly different set of premises. Our theory of sustainability draws its premises from the critiques of the two failed dominant systems of economic thought and practice, insights from Asia's rich cultural and spiritual heritage, and the wisdom of the indigenous peoples. The emergent theory, which we outline below, takes a holistic view of human needs that embraces the social, spiritual, intellectual and cultural dimensions of the human experience. It at once identifies the roots of the ecological crisis and helps us to predict the conditions under which the natural dynamics of human social processes are most likely to work toward, rather than away from, a balanced relationship between human society and the planet's ecology.

Roots of the ecological crisis

We believe the source of our collective social and ecological crisis can be traced to the long historical processes by which the human species has become increasingly alienated from community and nature. This alienation has both intellectual and institutional roots. Intellectually it is rooted in the Western concept of dualism, which sets humanity apart from nature and legitimatizes the view that humanity has not only the right, but also the obligation to subdue nature to its own benefit. Institutionally it is rooted in the institution of money, which created a powerful illusion that people can live

apart from and are no longer dependent on nature. The concept of separation was central to Descartes' thesis that humans have the ability to be objective observers of reality. This simple idea unleashed the intellectual and institutional forces that produced the remarkable scientific and technological advances of Western society. These advances in turn set in motion a long period of exponential growth in the demands that human economic activity places on earth's ecosystem. The dynamics of this growth continuously strengthened the basic illusion that through their command of technology, humans have become the masters of the natural world and no longer need to heed its limits. It is curious indeed that a species that prides itself on its intelligence continues to maintain this arrogance in the face of the mounting body of evidence that the underlying belief is based on nothing more than a dangerous self-delusion. Why?

The answer may be found in the extent to which money has become the arbiter of values and the motivating force of nearly all human institutions and activities. This has been part of nearly all human institutions and activities. This has been part of a long historical trend that accelerated dramatically following World War II. The demand to monitor and manage productive activity in support of the war effort led to the creation during World War II of an accounting tool, the national income accounts. These accounts aggregated all economic activity into a single measure, the gross national product or GNP. GNP, essentially the total monetary value of national output, soon became accepted as a proxy for national well-being and the standard by which the development of a country was measured.

When the international community made a commitment to end poverty through the economic development of non-industrial or "underdevelopment" nations, GNP was accepted as the measure of choice. In the name of development, official policies expanded the money economy ever more deeply into every sphere of human affairs. A commitment to increasing monetary values, in effect replicating money, gradually displaced improvements in human well-being as the de facto goal of development.

The quest to endlessly replicate money has become so deeply imbedded in human values and institutions that we might easily conclude that it is humanity's consuming commitment, the organizing principle of public policy. It is an extraordinary quest given that

money is a totally substanceless human artifact of no intrinsic value. The profound implication become clear only when we recognize that the historical process has been one of substituting money, a substanceless artifact, for spirituality, the universal life force, as the primary source of value, meaning and identity in human society.

We have created a society dedicated to the worship of money and to an economic practice that converts life into money with relentless efficiency. Our collective obsession with the replication of money as the defining purpose of human society is both cause and consequence of our collective alienation from the reality of the spiritual nature of all life, including our own. It is this alienation that is the root cause of the social and ecological crisis that now threatens our collective future.

Spirituality as a Unifying Force

Our theory of sustainability is grounded in the most fundamental of spiritual insights, i.e., that all life is an expression of a single spiritual unity and that the spiritual growth of the individual consists of advancement toward the full, conscious realization of this unity. Spirituality, community, and a bonding to place or habitat are central values that have unified the Asian cultures over the centuries.⁵

These values remain strong in many more traditional societies. They are basic to the Asian belief that balance and harmony should govern relations among humans, with the individual interest subordinated to the community interest. The same values of balance and harmony governed relationships between humans and nature in traditional Asian societies. This was manifest in countless cultural norms, such as the injunction that when a tree is harvested, two must be planted. Where nature has been scarred, it must be given time and opportunity to heal. Where large scale technologies are invoked, as they were in massive Asian irrigation systems, they must

work in harmony with natural forces. In these many ways, sustainability is integral to Asia's cultural tradition.

A balanced and harmonious relationship between human communities and their natural environment is strongly associated with a reverence for the spiritual unity of life and a strong bonding to community and place. It is a symbiotic relationship in which the individual exists and functions as integral to the whole. The related sense of social and spiritual union is likely to be most fully developed within communities that share a strong link to the regenerative gifts of their natural habitat. Such communities almost universally develop cultural values that maintain a sense of continuity linking both past and future generations to physical place. The traditional expression of this spiritual relationship remains powerfully manifest in the villages of the Island of Bali in Indonesia. It finds more contemporary expression in the experience of *Swadyaya Movement* in India.⁶ It remains central to the Asian sense of identity and purpose, as expressed in the Southeast Asian Contribution to the Earth Charter produced as a consensus statement of eight Southeast Asian NGO consortium bodies. (See Appendix B)

Humanity's Special Gift and Responsibility

In addition to the gift of life shared by all of nature, the human species was endowed with the special gift of self-awareness. With this powerful gift our species set out on a unique evolutionary course of social, material and spiritual advancement as we consciously reshaped our relationship with the living earth. Yet, as with all powerful abilities, this gift conveyed both creative and destructive potentials.

The path of Western development has produced many material and technological advances. But it has given such prominence to our separate nature that we have become alienated from the most fundamental truth of our own nature, our spiritual oneness with the living universe. The misuse of our collective gift has turned life against itself. *Even more than anti-people, contemporary development practice is anti-life.* If allowed to play themselves out to their ultimate extreme, the alienating forces that an obsessive commitment to economic growth has unleashed will result in our mutual self-destruction as surely as if we unleashed the long feared nuclear holocaust.

In his book, *The Dream of the Earth*, Thomas Berry refers to the dynamics of our consumer society as the supreme pathology of all history, a pathology in which humanity has virtually defined consumption as the highest human purpose.⁷ He suggests that we have lost our way due to a lack of a story that gives meaning to our existence that a dedication to consumption can never provide. That story must give us a sense of our special role and purpose in life's evolutionary journey.

The gift of awareness conveyed an awesome responsibility not shared by other species. Unless we accept and act on that responsibility, our species will surely perish along with the countless others our prodigal behavior has sentenced to extinction.

To accept responsibility for life does not imply rejecting modern technology or returning to the lifestyles of those groups that continue to live untouched by the modern world. We are poised to reach for new levels of social, intellectual, and spiritual advancement far beyond the reach of previous generations specifically because of the current potential to meld both ancient and modern wisdom to this end. However, to prepare the way, we must restore the social, spiritual, and economic connections of the individual to nature, place, and community that development has disrupted.

To become truly people-centered, our social practice must become life-centered. We must replace an anti-life development practice with a life affirming social practice. An important starting point will be to replace the prevailing economies of alienation with its antithesis, an economics of community.

The Economics of Alienation

Money serves two functions in modern society: as a medium of exchange and as a store house of value. Its function as a medium of exchange is purely utilitarian, a useful and positive institutional invention. It is money's ability to serve as a storehouse of value wholly divorced from any intrinsic or instrumental values that has made it a powerful instrument of alienation.

Wealth Accumulation, Alienation, and Unsustainability

In a non-monetary economy wealth is necessarily stored in things that have intrinsic value. The maintenance of that intrinsic value is integral to the accumulation process. These values, such as the value of productive land, animals, wisdom and human relationship, are commonly inseparable from community and place. Community and place figure centrally in the veneration of these values.

Most money in our modern society exists only as an electronic trace in computers, wires and airwaves. It moves from place to place with the speed of light through the actions of unseen and unknown people. Those who live in the world of money soon lose any sense of place or community. They live in what they ingenuously call: "the real world."

So it is that ability to accumulate wealth in the form of money which breaks the tie between the individual and the community and place. Indeed, as money becomes the activating force of institutions, the holder of a large store of monetary credits is increasingly able to exercise alienating claims over the natural resources, talents and knowledge of others — the exercise of which relentlessly alienates the other from his or her cultural and ecological heritage. Coercion may or may not be involved.

Once money becomes internalized as a value, the mere offer of sufficient credits can motivate the holder of real resource claims to relinquish them. Financial debts, through which one person accumulates specific claims against another, are a particularly common instrument of alienation. In the case of the international debts owed by countries to commercial and multilateral banks, the alienating power of debt has become so powerful that it bonds the labor and resources of future generations of one country to the future generations of another.

The persistent processes of alienation have become a daily experience in poor rural communities around the world. As ties to community and place are broken, vast flows of dispossessed people migrate to cities where they become dependent on the monetary economy. The lifeless, placeless medium of money — a number on a piece of paper or in a computer — becomes a substitute for the affiliational ties of community and place. The accountant replaces the religious teacher as the arbiter of value. The greater one's rela-

tive economic power and the more seamless the global economy, the greater the freedom enjoyed by the powerful to exercise claims over the non-monetary resources of the poor wherever it may be profitable to do so. Released from the constraints of place and obligations to the community, those who control accumulated financial credits seek out ecological stocks wherever environmental frontiers remain. The poorer the existing claimants of those resources, the more easily the holder of financial credits may gain them cheaply and shift any related social and environmental burdens onto those too uninformed or too powerless to protest.

Under the conditions of equality it is difficult, if not impossible, for one group to alienate another from their physical resource base. The greater the inequality, the greater the freedom enjoyed by the powerful to plunder the environmental resources of others. The greater the plunder, the greater the displacement and further impoverishment of the weak — until the point of social and ecological collapse. It is neither poverty nor wealth that creates environmental destruction. It is inequality. Equity is an essential precondition for sustainability.

Overconsumption and Population Growth as Symptoms

Friends of the Earth-Netherlands is engaged in calculating the sustainable levels of various kinds of resource use on a global scale. They then divide this availability by present and future population estimates to arrive at equitable per capita shares of the ecological product that is the birthright of every human being.⁸

The concept of per capita shares is a powerful way of thinking about what sustainability means on a resource scarce world. When the rich overconsume, they are depriving others of the means to meet their basic needs. When either rich or poor breed beyond the replacement rate, they are reducing the per capita share or resources potentially available to each individual. Both overconsumption and overpopulation can be traced to the dynamics of alienation.

The behaviors of both rich and poor exacerbate the sustainability crisis: the rich by their overconsumption of resources beyond what the ecosystem can sustain; the poor by having large families that increase the number of human claims that future generations will

make against whatever resources remain. Each is responding to the alienation process in terms of their own experience and the opportunities available to them.

Overconsumption is symptomatic of the alienation of the wealthy, as excess fertility is symptomatic of the alienation of the poor. The wealthy seek to fill their social and spiritual emptiness through consuming the material goods that advertisers relentlessly assure them will provide them with a sense of identity, empowerment, popularity, and meaning. The poor seek to reduce the overwhelming sense of insecurity created by loss of community and rights to ecological space by having children — the one thing that they can call their own and their only prospective source of care in their hour of need.

Bringing both consumption and population levels into balance with what nature can sustain is what sustainability is about. Both depend on the elimination of gross political and economic inequality.

The Corporation and Wealth Concentration

The corporation is a curious creature. Under law it has a legal persona with rights, privileges, assets and liabilities apart from those of its human members. The corporation is rapidly surpassing government as society's most powerful instrument for wealth accumulation and concentration of economic power. Through this artificial persona a few individuals acting in the capacity of directors and managers invoke that persona's right of private property to exercise control over huge numbers of financial credits belonging to thousands or even millions of other individuals.

The ultimate manifestation of this phenomena of separating control over money from real human owners who have real homes in real places is the transnational corporation. A lifeless legal persona that exists beyond the reach of the nation state, the transnational corporation represents the ultimate accumulation and alienation of economic power from obligation to place or community — the ultimate triumph of money over spirit. Yet because these corporations have vast financial resources to favor politicians and the media and

their financial success figures prominently in GNP accounting, their well-being enjoys disproportionate favor when governments formulate their economic policies.

The transnational banks are the purest and most advanced expression of the separation of economic power from any human or natural reality. They operate in a world constructed almost solely of numbers and electronics to facilitate the movement of financial credits to wherever they have the greatest opportunity to replicate themselves — without regard to social or ecological consequences.

The corporation has as well another alienating role. In its drive for economic efficiency it has long been active in homogenizing cultures through the power of the mass media to create mass markets for the products of mass production. This homogenization inevitably weakens the sources of connection and means that participation in a distinctive culture provides. As markets become globalized, the homogenization process becomes similarly globalized. Now this same drive for efficiency and market expansion is leading the corporation to demand the homegenization of labor, environmental, and other standards at their lowest common denominator in the name of strengthening international competitiveness and creating a level playing field — but most of all to simplify their own lives by allowing the global standardization of their operations.

Globalization of the world economy facilitates both the concentration of unaccountable economic power in the institutions of transnational capital and the homegenization of cultures. These are the central processes of an economics of alienation and a major source of the spiritual alienation underlying unsustainability.

The step to sustainability requires moving toward an institutional framework that decentralizes, distributes and roots economic power in place and community.

Toward an Economics of Community

An economics of community provides the foundation for an economic practice aimed at restoring a necessary balance in the relationships among people, place and community. Spirituality and community — not money — must define the dominant binding ties in

such an economics. The preservation of the sustainable productive potentials of ecological resources must receive a high priority in resource allocation decisions, and long-term returns to community must take precedence over short-term returns to the individual investor.

Enterprise-Based National Income Accounts

The economics of alienation is deeply imbedded in society's dominant institutional systems and procedures. This includes the national income accounting systems by which gross national product (GNP) — the universal proxy for national well-being — is measured. One basic flaw of the GNP accounting system is that what it measures isn't really national product. It is simply the aggregate product of the business enterprises from whose accounting records it is compiled.⁹ There is no accounting for gross *natural* product, or gross *people's* product.

The firm is not expected even to be aware of, let alone manage, the external social and environmental costs of its production. This same externalization is carried all the way through the aggregation process. Consequently, GNP takes no account of such things as the loss of environmental resources or deterioration in the educational level of the work force over time — even though these represent clear losses to society. The clean-up of the Exxon Valdez oil spill was counted as a net gain for the Alaskan economy, and the insurance payments for the bombing of the World Trade Center in New York showed up as a net gain for the economy of New York City. Thus both were “good for the economy” by current accounting practice.

Furthermore, GNP includes only the income and costs reflected in the income statements and balance sheets of business firms operating in the *formal* sector. Subsistence production, household labor, and the rental value of owner occupied dwellings are all excluded in most countries. This excludes a substantial portion of those activities on which most of the world's people depend for their livelihoods.

According to economic theory, in a freely competitive market, an enterprise maximizes its contribution to the public good by maximizing its own income and balance sheets. If all firms act similarly, the most efficient possible use of societal and planetary resource will

result - according to the theory. Of course, the original theoretical formulations acknowledge that this will happen only to the extent that a number of very specific conditions are met. For example, the market must be comprised only of buyers and sellers who possess perfect information, are too small to individually influence the market price, and are not acting in collusion with one other — conditions rarely, if ever, met in the real world.

For all its flaws, one reason the existing system of national income accounting is so influential is because it is a highly operational management tool.

- There is an organization and management center responsible for each figure generated.
- The accounting system measures performance at the level of these units.
- There are theories defining the relationship between results and the program and policy buttons available to each management unit.
- There is a theoretically grounded method for resolving the “consolidation problem,” i.e., the problem of establishing that the aggregation of local accounts produces a valid global measure.

To be competitive for the attention of decision makers, an alternative economic planning and information system must fulfill these same operational criteria.

Toward a Community-Based Accounting System

As noted above, one critical flaw of the existing system of economic theory and accounting is the choice of the enterprise as the basic unit of analysis and aggregation. This error can be corrected by building an alternative system of accounting that takes the household and the community (a geographically defined aggregation of households and the related micro-ecosystem) as the primary units of analysis and aggregation. The economic performance of firms would be addressed in subsidiary accounts that reflect their contributions to the community and those who reside in it.

Work on the development and application of a community-based economic accounting system is well underway in the Philippines and represents an important step toward a practice of sustainability de-

rived from the theory of sustainability outlined earlier.¹⁰ In this system the community defines both a citizenry and a habitat with a definable characteristics of land, water, soil, cover, vegetation, marine resources, etc. Each of these characteristics is further classified using existing techniques. The citizens are classified by characteristics such as age, gender, occupation, education, and income levels. Each household is defined in terms of its bundle of economic needs, which the system compares with actual consumption. These classifications provide a foundation for constructing a chart of community accounts.

The community balance sheet includes its natural resource stock positions as assets. Production processes, such as in agriculture, forestry, mining, fisheries, trade, services, create flows between asset or stock accounts, sectors, factors of production, and households or consumers. This provides the basis for a community-based double entry accounting system. While the system is based on physical factors, each factor is translated into money units using market prices.

The accounts may be organized according to a hierarchy of settlements — households comprising hamlets comprising neighborhoods comprising villages clustered around market towns clustered around an urban center. Each group is inclusive of its component units and their corresponding ecological habitats. At all levels the community-based accounting system defines an economy that is inseparable from its habitat and defines an essential role for local government in the management of that economy and its underlying natural resource base.

A Basis for Local Decision Making

Since the community based accounting system accounts for both natural and human capital stocks, the social and environmental costs of economic activity are automatically internalized and highlighted. The clear cutting of a forest is reflected immediately in the reduction of relevant asset accounts. Both the financial gains from economic activity and the consumption of the goods and services produced are allocated by household, so distributional outcomes are also integral to the system. It is clear who is capturing the returns from productive processes, what household needs are being met and what needs are not. Resource flows into and out of the community

are also highlighted, thus providing a very different perspective on investment decisions than do conventional methods for assessing proposed investments.

There are many investment projects that may be highly profitable to a firm or individual, yet very costly for the community. Clear cut logging for export is a graphic example. Logging activities can produce enormous profits for individual firms and register positively in GNP without providing sufficient returns to the community in the form of wages and fees to compensate for losses from increased flooding and drought, soil loss, downstream siltation, and the costs of replanting. Export processing zones provide another common example. They expropriate land, dominate local government decision making, enjoy tax holidays, demand fully developed infrastructure that must be paid for by local tax payers, make priority claims on local water supplies and power generation, have few linkages to the local economy other than hiring labor at low wages, and contaminate local land and water supplies with their toxic wastes. The firms may generate handsome profits that immediately go abroad, without compensating the community for its costs.

With a community-based accounting system the full costs and benefits to the community are revealed so that the investment proposals may be assessed accordingly. The community may then negotiate with outside investors and trade interest on the basis of a community balance sheet, exactly as a firm now decides whether to engage in a given market transaction based on the results anticipated for its balance sheet.

Community-based accounting supports application of the principle of subsidiarity — i.e., that each decision should be made at the lowest feasible organization level — and its corollary that to the extent feasible basic needs should be met within smaller, more localized economic units. This means that smaller units will seek trade with one another and with larger units only as the exchange offers clear advantages to the community over local production. Otherwise, the preference will be for local producers. The community-based accounting system provides a tool for managing such choices in the community interest. This is not a proposal for autarky, which involves closing the local economy to outside contact. The intention is to encourage a substantial degree of self-reliance, especially in producing those things essential to the well-being of the community. This strengthens the link between the community's well-being and

the health of its local ecosystems. It also reduces external dependence and thereby the potential for exploitative alienation of its resources by external interests.

The effective application of the community based accounting system demands broadly based community involvement. By establishing the concept of a local economy, the relationship of human interests to place and a community takes on new meaning. This in turn enhances awareness that the community's ecological resource base is the foundation of its well-being over time. The community becomes deeply aware of the consequences of giving free reign to footloose capital and external trading interests seeking only to extract local value for export. Social practice based on an economics of cooperation and ecological stewardship is encouraged.

No economic practice can itself restore a lost sense of spiritual connection. However, *reversing the dynamics of alienation so deeply imbedded in the present competitive, enterprise-based economic model represents an important step toward enabling people to rediscover the spiritual core of their lives and its connection to community and nature. Community based economic practice is an important step in this direction.*

Civil Society as the Transforming Agent

The above discussion illuminates the enormous magnitude of challenge that the step to sustainability poses for human society. Because of the extent to which the basic premises of an unsustainable social practice are imbedded in our major institutions, our hope for change is found in an awakening civil society.

Creating Democracy

Major barriers remain. Much acclaim has been given to the growing commitment to democratic institutions by governments around the world. Democracy, however, depends on a great deal more than free elections and an independent judiciary. These formal instruments of democracy provide citizens with the opportunity to make governance democratic, but they do not assure it, even in countries with long established democratic traditions. Democracy

must be continuously recreated through direct citizen engagement. That engagement has become so weak, even in countries with long democratic traditions, that an important part of the challenge is to make people aware they can make a difference, can regain control of their public institutions and demand that these institutions serve the public interest. Civil society must certainly be awakened to the issues, but this is not enough. It must also be awakened to its potential to make a real difference as a force for constructive change.

NGOs as Barrier

Another significant, but not widely recognized barrier to civil empowerment is posed by the rise to prominence of what are commonly known as nongovernmental organizations (NGOs). Coming from a group of NGO consortium bodies, this may seem a surprising assertion, and we do not make it lightly. NGOs have gained much stature in recent years as the vanguard of the democratization process. Some NGOs of course have earned that recognition through hard fought battles. NGOs as a group, however, have not.

Almost universally we embrace the rhetoric of empowerment. Yet the NGO that truly practices it is rare. Most of us serve primarily as intermediary service delivery conduits between donor agencies and dependent client populations. Our continued existence depends on maintaining good relations with our donors — whom we dare not risk offending — and keeping our clients dependent. The truth is, that in these roles we address the symptoms of a failed development practice; we do not fundamentally challenge it.

Our eager embrace of NGO administered small-scale credit programs currently popular with donor agencies is an important case in point. Such programs do respond to real needs of client populations, just as relief programs address the real need for food. But there is little basis for concluding that either the distribution of food or the distribution of credit are in themselves transformative. Credit programs, in particular, tie up participating NGOs in the routine administration of lending and collective operations. Such NGOs effectively become small local branch banks, institutions not commonly known for their inclination toward social activism. The borrowers become similarly absorbed in and dependent on their own participation in the money economy through small, individual economic activities that have little prospect of generating more than a

subsistence income. Preoccupied with generating the cash required to repay their loans and pitted in petty competition with their neighbors, the borrowers have neither the time nor inclination to reflect on the deeper causes of injustice — such as the maldistribution of land and market access, or a financial system that routinely drains poor communities of their financial resources — or to join in collective actions to fight for redress. Their existence becomes focused on money to the exclusion of community.

In slipping uncritically of dependency creating service delivery roles, NGOs too easily become barriers to citizen participation in the creation of transformational change. We become instead parties to the creation of a dysfunctional patchwork of ad hoc service delivery programs without public accountability or a viable funding base. Meanwhile governments are absolved of responsibility for creating more coherent locally financed service delivery programs, while participating NGOs develop an increasingly powerful institutional interest in governments not taking such steps. We who live and work in the world of NGOs must take a serious look at the extent to which we ourselves are a part of the problem.

Civil Society and the People's Voice

We have been inclined to flatter ourselves by speaking of an NGO movement for transformational change. For the reasons cited above, this is little more than presumptuous self-congratulation. It implies both a unity of purpose that does not exist and a commitment to fundamental change that many NGOs do not share.

It is the people's voice that will bring change, not the voice of donor dependent service delivery organizations. To the extent that we presume to speak for the people, to serve as their surrogates, we actively inhibit the development of civil society as an effective and meaningful political force for social transformation. If there is need for a surrogate, that reveals a fundamental failure that we must strive to correct.

It must be our goal to nurture thousands of centers of citizen initiatives that move us toward a new economic and political reality. These local initiatives must be linked into a coherent force for the transformation of human institutions and consciousness. Even in the early stages, solidarity across national boundaries is crucial to with-

stand the forces that will surely be brought to bear against the people's initiatives as they show signs of success. When these forces invoke the authority of the state and the rights of the corporation over those of the people, it is the right and obligation of the people of all nationalities to stand in solidarity against this attack on the people's sovereignty.

Mobilizing Forces

The forces for transformational change are building rapidly as the dysfunctional consequences of an economy of alienation marginalize an evergrowing numbers of people. The myth that one day all will share in the prosperous lifestyles of the rich is daily being exposed as nothing more than at best is naive fantasy and at worst a cruel hoax. The myth is rapidly losing its power of both North and South who:

- Have been forcibly displaced from their homes and livelihoods by development projects.
- Have lost their jobs to international competitiveness.
- Have had their fishing grounds, forests, and farmlands destroyed by predatory business interests.
- Find their real incomes falling as they hear of the fabulous salaries and windfall profits of the favored few.
- Find their lands and water supplies have been poisoned by toxic substances.
- Cannot send their children out to play because pollution levels present a hazard to their health.

The consumption myth is giving away to a political and spiritual awakening. The political awakening comes as more and more people realize that the forces of economic marginalization are systemic and are now working primarily to the benefit of only the top 1 to 3 percent of the world's population. The spiritual awakening comes as many of these same people have confronted the shallowness of lives dedicated to the pursuit and veneration of money as the ultimate value. Thus liberated they return to the eternal questions about the deeper meaning and purpose of life that have driven religious inquiry through the ages. Many have already embarked on the search for new lifestyles grounded in the nurturing bonds of sharing within a community and a reverence for life and nature.

The political awakening provides an energizing force for change. The spiritual awakening gives direction to this force.

The step to sustainable human societies involves far more than making a few adjustments at the margins of the economy and investing in conserving technologies. It means creating a framework of economic institutions and management practices that anchor economic power in community and achieve a substantial degree of equity in power relationships. It requires realigning the value foundations of human societies to re-establish the prominence of spiritual over financial values and to rediscover the spiritual unity that joins all life. We can almost be certain that any discussion that approaches sustainability as an investment problem and assumes that market forces are the key to resolving it has seriously misdefined the problem.

Our dominant institutions are blinded to the deeper realities of the sustainability crisis by their own power imperatives. So long as this prevails the case there is no prospect that they will provide the leadership we so badly need. Informed and enlightened citizen action is our only hope. Such action must spring from the growing inner knowledge and spiritual awareness of each individual. Replacing the action of financial calculation with action of the spirit goes right to the core of the transformational process. As that awareness builds, perhaps our most important task is to encourage one another to trust our inner knowledge and to find the courage to act upon it collectively.

Notes

1. Herman E. Daly, "Sustainable Growth: An Impossibility Theorem," *Development* 3/4: 1990, pp. 45-47.
2. Robert Goodland, Herman E. Daly, & Salah El Serafy (eds.), *Population, Technology and Lifestyle: The Transition to Sustainability* (Washington, D.C.: Island Press, 1992), p. xv.
3. Lester R. Brown, "The Illusion of Progress," *State of the World* (New York: Norton, 1990), p.3.
4. Goodland, Daly and El Serafy, *op. cit.*
5. This is admittedly a somewhat idealized view. Just as individuals and firms commonly cooperate in Western societies in the face of a competitive ideal, competitive behaviors, sometimes expressed in extreme forms of violence, have been common in the East, as they have in the West. This is accommodated in Asian philosophy in a recognition of a continued tension between order and chaos, including the essential role of death in creating the potentials for new life. In this respect, chaos and death have essential roles in the maintenance of balance.
6. Paul Ekins, *A New World Order: Grassroots Movements for Global Change*, (London:Routledge, 1992).
7. Note that in current practice economic growth, not consumption, is the higher goal. Consumption is only a means. When consumers are admonished to save or spend, always the argument hinges on which will make the greater contribution to growth.
8. Friends of the Earth Netherlands, *Action Plan: Towards a Sustainable Society*, (Amsterdam: Friends of the Earth Netherlands, P.O. Box 19199 GD Amsterdam, The Netherlands, May 1992). Original in Dutch. An English translation was available in the summer of 1993.
9. Government is treated as a firm for purposes of accounting for its activities.
10. For further information contact Sixto K. Roxas, President, SKR Managers and Advisors, Inc., No. 59 Hillside Loop, Blueridge A, Quezon City, Philippines, Phone (63-2) 721-9096; 791-757; Fax (63-2) 722-5547.

Appendix A

THE PEOPLE'S EARTH DECLARATION A Proactive Agenda for the Future

We, the participants in the International NGO Forum of Global Forum'92, have met in Rio de Janeiro as citizens of planet earth to share our concerns, our dreams, and our plans for creating a new future for our world. We emerge from these deliberations with a profound sense that in the richness of our diversity we share a common vision of a human society grounded on the values of simplicity, love, peace, and reverence for life. We now go forth in solidarity to mobilize the moral and human resources of the civil societies of all nations in a unified social movement committed to the realization of this vision.

The urgency of our commitment is heightened by the choice of the world's political leaders in the official deliberations of the Earth Summit to neglect many of the most fundamental causes of the accelerating ecological and social devastation of our planet. While they engage in the fine tuning of an economic system that serves the short-term interests of the few at the expense of the many, the leadership for more fundamental change has fallen by default to the organizations and movements of civil society. We accept this challenge.

In so doing we wish to remind the world's political and corporate leaders that the authority of the state and the powers of the private corporation are grants extended to these institutions by the sovereign people, by civil society, to serve the collective human interest. It is the people's right to demand that governments and corporations remain accountable to the public will and interest. Yet through a process of global economic integration pressed on the world's people by the G7 governments, the Bretton Woods Institutions — the World Bank, International Monetary Fund (IMF), and

General Agreement on Trade and Tariffs (GATT)— and transnational corporations, the sovereign rights and ability of the world's people to protect their economic, social, cultural and environmental interests against the growing power of transnational capital is being seriously and rapidly eroded.

This erosion has been only one of the many damaging consequence of a development model grounded in the pursuit of economic growth and consumption to the exclusion of the human and natural interest. Others include the increasing spiritual impoverishment of human society, the economic impoverishment of some 11.2 billion people, the rapidly widening gap between rich and poor, economic racism, institutionalized exploitation of women, the displacement of millions of peoples from their lands and communities, marginalization of the handicapped, and the progressive destruction of the ecological systems that sustain us all.

The path of deepening international debt, structural adjustment, market deregulation, free trade, and the monopolization of intellectual property rights that currently dominates policy thought and action is a path to collective self-destruction, not to sustainable development. We will use our votes, our moral authority, and our purchasing power to remove from positions of authority those who insist on advancing these socially and ecologically destructive policies to serve short-term elite interests.

The Bretton Woods Institutions have served as the major instruments by which these destructive policies have been imposed on the world. They constitute a formidable barrier to just and sustainable development. We will work for their transformation or replacement by more suitable institutions. Until they have become fully transparent, publicly accountable, and supportive of the human interest, they must not be allowed to capture control of the sustainability agenda.

The world's military forces survive primarily as instruments to protect elite interests and suppress the civil unrest that results from economic injustice. They further place an unconscionable burden on earth's scarce ecological resources. We will work for their elimination and the transfer of their resources to more beneficial purposes. As a first step we will work to end international arms trade and assistance.

These are realities the official UNCED process has avoided. They have been among our central concerns.

We have not, however, limited our attention to critique. We have also sought to define our vision for an alternative future and our agenda for its accomplishment. We are diverse in our experience and languages. We seek alternatives for which there are no clear models. The existing dominant development model and its supporting institutions emerged over a period of some 500 years. The two weeks we have spent in deliberations in Rio are only a beginning toward crafting an alternative. We have achieved a broadly shared consensus that the following principles will guide our continuing collective effort.

- The fundamental purpose of economic organization is to meet the community's basic needs, such as for food, shelter, clothing, education, health, and the enjoyment of culture. This purpose must take priority over all forms of consumption, particularly wasteful and destructive forms of consumption such as consumerism and military spending — both of which must be eliminated without further delay. Other immediate priorities include energy conservation, shifting to reliance on solar energy sources, and converting agriculture to sustainable practices that minimize dependence on non-renewable and ecologically harmful inputs.
- Beyond meeting basic physical needs, the quality of human life depends more on the development of social relationships, creativity, cultural and artistic expression, spirituality, and opportunity to be a productive member of the community than on the ever increasing consumption of material goods. Everyone, including the handicapped, must have a full opportunity to participate in all these forms of development.
- Organizing economic life around decentralized relatively self-reliant local economies that control and manage their own productive resources, provide all people an equitable share in the control and benefits of productive resources, and have the right to safeguard their own environmental and social standards is essential to sustainability. This strengthens attachment to place, encourages environmental stewardship, enhances local food security, and accommodates distinctive cultural identities. Trade between such local economies, as between nations, should be just and balanced. Where the rights and interests of the corporation conflict with the rights and interests of the community, the latter must prevail.

- All elements of society, irrespective of gender, class, or ethnic identity, have a right and obligation to participate fully in the life and decisions of the community. The presently poor and disenfranchised, in particular, must become full participants. Women's roles, needs, values and wisdom are especially central to decision-making on the fate of the Earth. There is an urgent need to involve women at all levels of policy making, planning and implementation on an equal basis with men. Gender balance is essential to sustainable development. Indigenous people also bring vital leadership to the task of conserving the earth and its creatures and in creating a new life-affirming global reality. Indigenous wisdom constitutes one of human society's important and irreplaceable resources. The rights and contributions of indigenous people must be recognized.
- While overall population growth is a danger to the health of the planet, growth in the numbers of the world's over consumers is a more immediate threat than population growth among the poor. Assuring all people the means to meet their basic needs is an essential precondition to stabilizing population. Reproductive freedom and access to comprehensive reproductive health care and family planning are basic human rights.
- Knowledge is humanity's one infinitely expandable resource. Beneficial knowledge in whatever form, including technology, is a part of the collective human heritage and should be freely shared with all who might benefit from it.
- Debt bondage, whether of an individual or a country, is immoral and should be held unenforceable in international and civil law.
- Transparency must be the fundamental premise underlying decision making in all public institutions, including at international levels.

Implementation of these principles toward transformational change will require a massive commitment to education. New understanding, values, and skills are needed at all levels and across all elements of society. We will educate ourselves, our communities, and our nations to this end.

We acknowledge our debt to indigenous wisdom and values. These have greatly enriched our deliberations and will be sources of

continuing learning. We will honor this heritage and work to protect the rights of indigenous people.

Our thinking has also been enriched by the teachings of the many religious traditions represented among us. We recognize the central place of spiritual values and spiritual development in the society we seek to create. We commit ourselves to live by the values of simplicity, love, peace and reverence for life shared by all religious traditions.

Our efforts in Rio have produced a number of people's treaties to define more specific commitments to one another for action at local, national, and international levels. These treaties are in varying stages of development. All are documents in process. We will further refine them through countless dialogues and negotiations throughout the world as ever larger numbers of people join in our growing movement.

We invite the leaders of business and government to join us in this act of global citizenship. They must, however, know that we no longer wait for them to lead us in dealing with a global reality they have so far chosen to ignore. The time is too short and the stakes too high.

We, the people of the world, will mobilize the forces of transnational civil society behind a widely shared agenda that bonds our many social movements in pursuit of just, sustainable, and participatory human societies. In so doing, we are forging our own instruments and processes for redefining the nature and meaning of human progress and for transforming those institutions that no longer respond to our needs. We welcome to our cause all people who share our commitment to peaceful and democratic change in the interest of our living planet and the human societies it sustains.

**Rio de Janeiro, Brazil
June 12, 1992**

This declaration was prepared in Rio de Janeiro, Brazil in June 1992 to document the underlying consensus that emerged from the deliberations of the International NGO Forum during the UNCED Earth Summit. It may be freely reprinted and disseminated without prior permission. For further information, contact Green Forum Philippines, 3rd Floor, Liberty Building, 835 Pasay Road, Makati 1200, Metro Manila, Philippines, Phone (63-2) 851-110, Fax (63-2) 818-3207; or Canadian Council for International Cooperation, 1 Nicholas Street, Suite 300, Ottawa, Ontario K1N 7B7, Canada, Phone (1-632) 236-4547, Fax (1-613) 236 2188.

Appendix B

AN ASIAN CONTRIBUTION TO THE EARTH CHARTER*

Preamble

We are one earth community, living in harmony, interconnected with one another, enjoying the fruits of the earth and all her wisdom and blessings. But we have lost touch with who we are. We listened to the distant sounds that heralded progress and development. We were captured by the ways of a world alien to us.

Now, we meet face to face with our brokenness, our lack of wholeness and remember ourselves.

We are peoples who have been exploited and dominated by commerce-driven cultures lured by the legends of the gold and mineral veins that course through our mountain, and the richness of our flora and fauna. We had timber in abundance and a teeming marine life. But these are gone now. In the process, we have forfeited our cultural resource and local wisdom.

We had only taken what was necessary for the moment as all mothers have made us understand. Greed is eccentric to our cultures.

Principles

We assert that —

1. *Spiritual is the Guiding Principle of our Existence.*

We recognize the diversity of our religious traditions and cultures which converge at the depths of our Asian identity. Everything that we do is infused with spirituality. It is the web that connects us.

*Taken from the Workshop Report on "Southeast Asia Regional Consultation on a People's Agenda before Environmentally Sustainable Development: Towards UNCED and Beyond", Los Baños Laguna, 29 November - 2 December 1991. Published by the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC).

As we walk through our forests, we bow with reverence to seek permission to pass. Before we gather food or housing materials from our seas and woods, we manifest deference for the spirits that reside within and offer them sacrifice. As we take from nature, we return something of ourselves.

We, therefore, commit ourselves to return to our consciousness of reverence for nature and being true to our inner spirit.

2. *The Earth is Sacred and All of Nature is Interdependent.*

We have one Common Origin and Destiny and we are interdependent. We respect life in all its manifestations, and uphold the integrity of all creation.

While biotechnology is beneficial in certain aspects, its pursuit must be guided and informed by a proper regard for the long term health and development of society and human beings and their natural environment. We oppose the engineering of human genes and the appropriation of indigenous genetic material and other intellectual property that springs from our lifetime.

3. *Our Ethnicity is a Searching Back for the Principle of Community.*

Our true identity must be rediscovered in our ethnicity as a community-based people existing within our respective habitat and bio-region.

We give value to native or local wisdom and the right to self-determination, allowing for cultural diversity and recognizing the primacy of our first peoples to enhance communal citizenship.

We uphold and protect the rights of community to territory and ancestral domain and will provide the mechanism for local resource management and equitable resource distribution.

The documentation, recording and transfer of the values of local wisdom and indigenous knowledge is our contribution to the enrichment of the cultures of the world.

4. *Sustainable Development will Provide the Time for Mother Earth to Heal Her Wounds and those of Her Children and Ensure the Continuance of Life Throughout Generations.*

Recognizing the destructive development patterns are a product of peoples' thinking, commercialism and institutionalized greed, we will renew our sacred task as caretakers of our earth and restore harmony and balance with nature in pursuing development models.

Where there is economic growth, there should be corresponding social, cultural, political and environmental growth. Where there is industrial development there should be an accompanying improvement in agriculture. Modern technologies should draw on local wisdom. Materialistic expansion and individualism must be moderated by our spirituality and humanity. And there must be equality between men and women.

Without ecological justice and equity, there can be no basis for sustainable development. Nature has as much a right to be life-giving and life-supporting as all humanity has a right to share of the earth's resources equitably.

A transition from an enterprise economic system to that of a system based on the values of a community-based economic system is imperative to allowing and catalyzing sustainable development.

We must actively inculcate an ecological consciousness in the youth and encourage and develop a wholistic curriculum. Furthermore, we call for the creation of an open learning system, a living university without walls, for sustainable development in the region.

5. *It is Essential to Empower the People and Encourage People's Participation.*

We recognize the creative potential of each citizen. We encourage the flow of information from the smallest community to return to the initiators and enable its people with the skills for decision-making and visioning their future.

We further seek to enlighten and transform ourselves by affecting a paradigm shift from a fragmented and mechanistic to a wholistic worldview.

We must organize consultations on the community level, foster education in governance and democratic processes, and facilitate opportunities for the free exchange and equality of ideas.

As individuals, we will articulate our hopes, aspirations and dreams. We will be proactive rather than reactive. We will build consensus and strive for a unified vision.

**OUR COMMON DESTINY LIES IN THE
REALIZATION OF THESE
PRINCIPLES.**



The Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC) is an autonomous, non-profit Asian regional association of development and nongovernmental organizations (NGOs) who operate at the regional, national and local levels taking into account the development framework and perspectives discussed at the World Conference on Agrarian Reform and Rural Development (WCARRD) in 1979.

The complexity of Asian realities and the diversity of NGOs highlight the need for a development leadership to service the poor of Asia — providing a forum for articulation of their needs and aspirations as well as expression of Asian values and perspectives. ANGOC seeks to address the key issues related to agrarian reform, sustainable agriculture and rural development in the Asian region.