What is sustainable wealth?

Arthur Lyon Dahl

International Environment Forum
http://iefworld.org
and
ebbf
http://www.ebbf.org
SUSTAINABLE

• ECOLOGY
• dynamic process
• complex planetary system
• threatened by economy

… WEALTH

• ECONOMY
• dynamic process
• complex human system
• threatened by unsustainability
Sustain

keep up, maintain, cause to continue
Sustainable

Characteristic of dynamic systems that continue to function, perform essential processes, maintain dynamic balance, and can change to adapt to changing conditions.
Sustain What?

- any system
- organism
- machine
- technology
- business
- corporation
- institution
- scientific theory
- community
- government
- nation
- economy
- civilization
- human species
- planetary biosphere
- etc.
Sustainable over what time frame?

- Individual, max. 100, exceptionally 120 years
- Species reproducing: thousands to millions of years: Homo sapiens 200,000 years
- Civilization: hundreds, maybe thousands of years
- Ever-advancing civilization: 500,000 years
- Planet Earth (linked to sun) another billion years
- The Universe: big bang, big crunch, big bang...
Wealth

• Perhaps a Maslow's pyramid of concepts of wealth? Material, social, intellectual, spiritual

• Distinction between individual wealth and collective wealth

• War, revolution, violence are the destruction of wealth, cycles of creation and destruction
Material Wealth

- Wealth as lucre: world's richest men/women
- Luxury goods: "If you have to ask the price, you can't afford it"
- Purpose in life is to get rich
- Does wealth = happiness?
- Plateau in wealth per capita and happiness - other things become important
Material Wealth

- Wealth as morally suspect - warning about riches and spirituality


cite

Know ye in truth that wealth is a mighty barrier between the seeker and his desire, the lover and his beloved. The rich, but for a few, shall in no wise attain the court of His presence nor enter the city of content and resignation.

(Bahá'u'lláh)
Wealth as capital

• Means to invest
• Essential economic component along with labour
• Empowering development
• Savings for future
Corporate Wealth

• Corporate purpose is to create wealth for shareholders - goal of making a profit.
• Is this sufficient, or an invitation to abuse?
• Is profitability an end in itself, or only a fundamental constraint?
• Is wealth a means or an end?
• Does the end justify the means?
What should be the purpose of the economy, if not to generate material wealth?

"The ultimate function of economic systems should be to equip the peoples and institutions of the world with the means to achieve the real purpose of development: that is, the cultivation of the limitless potentialities latent in human consciousness." (Bahá’í International Community)
Wealth and Poverty

• Poverty - the absence of wealth - unable to meet basic needs, cannot feed or educate your children, homeless

• Extremes of wealth and poverty destabilizing

• Problem of the distribution of wealth, presently going in the wrong direction
Unsustainable Wealth

Some examples of unsustainable wealth:

• fossil fuels
• derivatives in financial markets
• debt, growth and interest
• biggest multinationals
The Origin of Wealth

Eric Beinhocker: rethinking the economy in a systems perspective

• Complexity Economics with agents using market mechanisms and government leadership to co-evolve fit order

• In such non-zero-sum systems, there is an incentive to cooperate in a culture of learning and adaptive management

True Wealth

A system with:

• low entropy
• high information/knowledge content

Knowledge is the true wealth
A successful business has the right social architecture, including:

- the behavior of people
- the structures and processes in which they operate
- the culture that emerges
The Origin of Wealth

• Most important is the micro level
• Rules and norms (or values) of individual behaviour
• Trust is essential to build social cohesion
Norms for Wealth Creation

**Individual values:**

- a strong work ethic
- individual accountability
- a belief that you are the protagonist of your own life, with benefits from a moral life in this world
- being realistic about the present situation but optimistic about the future
Norms for Wealth Creation

Norms that favour **cooperative behavior**: a belief

- that life is not a zero-sum game
- that cooperation has benefits
- that generosity and fairness have value
- that free-riding and cheating are sanctioned
Norms for Wealth Creation

- Norms to favor **innovation**:
- valuing rational scientific explanations of the world
- tolerating heresy and experimentation
- supporting competition
- celebrating achievement
Norms for Wealth Creation

Cross-cutting norms:

• an ethic of investing for tomorrow
• saving for future generations
• willingness to sacrifice short-term pleasures for long-term gain
• enjoying high levels of cooperation
Social Wealth

For the **individual:**

- family
- community
- social relationships
- dignity
- belonging to a group
Social Wealth

Collectively:

• institutions of governance
• laws
• a system of justice
• organization of community and society
Social Wealth

• In the **economy**:  
• Business entities, corporations  
• structures of the economic system  
• markets  
• a financial system and banks
Intellectual Wealth

• Knowledge
• Science
• Arts and crafts
• Technologies
• Religion
Intellectual Wealth

• Increases in value the more it is shared (inverse of intellectual property regime)
• Includes information storage, communications, reading and implementation
• Accumulation of knowledge is the real wealth of a civilization
What is the ultimate wealth?
"You can't take it with you"

Maybe real wealth for the individual is what you can take with you.

Even those who believe in an afterlife do not know what it is like.

Not material, not constrained by time or space.

Retain knowledge of what you have achieved (or not), your impact on others.
Spiritual Wealth

• Spiritual qualities acquired
• Love for others and others' love for you (will pray for you)
• Love for absolute perfection, unknown and unknowable
• Love for God and receiving His love

“Man's merit lieth in service and virtue and not in the pageantry of wealth and riches” (Baha'u'llah)
...the pathway to sustainability will be one of empowerment, collaboration and continual processes of questioning, learning and action in all regions of the world.... As the sweeping tides of consumerism, unfettered consumption, extreme poverty and marginalization recede, they will reveal the human capacities for justice, reciprocity and happiness.

(Bahá’í International Community, 2010)
Let us explore together this weekend how we can **CO-CREATE SUSTAINABLE WEALTH** combining **ECOLOGY** and **ECONOMY** to lead the transition to a more just and sustainable world society.
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