
SIMPLICITY AND ECONOMY

Mark A. Burch

Simplicity Institute Report 12q, 2012



SIMPLICITY
INSTITUTE

© Mark A. Burch, 2012. All rights reserved.

Simplicity and Economy

Mark A. Burch¹

1. INTRODUCTION

Above all, we shall then see that the economic problem is a convergent problem which has been solved already: we know how to provide enough and do not require any violent, inhuman, aggressive technologies to do so. There is no economic problem and, in a sense, there never has been. But there is a moral problem, and moral problems are not convergent, capable of being solved so that future generations can live without effort. No, they are divergent problems, which have to be understood and transcended. (Schumacher 1977: 140)

Vision

“The economy” is no longer our obsessive concern. People are interested in other things than making more money or accumulating more material possessions because now it is more broadly appreciated that these things provide only marginal assists to well-being. There is less frenzy, less viciousness and competition. Material provision must be made; all acknowledge this. But the pace of all our work has slowed, come down in scale to something we can really comprehend, hold, love. Everywhere there is a renaissance of craft and artisan production; local crafters meeting local needs, often making one-of-a-kind objects. More materials are harvested locally, more necessities are made locally, and more local people are employed in a diversity of activities. More pride is taken in our buildings which we now design to last a thousand years. Even now, our communities are beginning to breath an atmosphere of heritage and connection to place. But most of all, people have reclaimed their time from the tyrant of commerce. No longer are the best hours of the day or its best energies claimed by wage labour and the dregs left for family, nature and spirit. The equation has been reversed. Leisure rules, art matters, we take time to serve and enjoy being served, and around these important commitments we find time to provision what is needed for a graceful life. There are fewer millionaires to be sure, but also far fewer people who think that contentment comes from being a millionaire. Those who still strive, and gasp, and claw past others in pursuit of more are recognized for who they are: deeply troubled people, slaves to their desires—but no longer a threat to the rest of us. We’ve learned what an economy is for: sustaining human life within planetary life. Those who think the economy is merely their personal highway to riches and power are now appreciated as relics of a less conscious and less civilized past.

“It’s all well and good if a few people adopt a lower consumption lifestyle at the margins of the social mainstream—as long as there aren’t many of them. But if simpler living becomes the norm in our society, wouldn’t the economy collapse? Wouldn’t the widespread adoption of mindfulness and a desire for sufficiency rather than affluence trigger another Great Depression, unemployment, and worsened development prospects for other countries who sell their products into our markets in a globalized economy? Who would pay taxes to support social services if everybody quit their jobs to live the Life of Riley? Isn’t “mindfulness” just another

¹ Mark A Burch is an author, educator, and group facilitator who offers presentations, workshops, and courses on voluntary simplicity. He has published four books on voluntary simplicity and is currently completing two further books, including a sourcebook for educators in simple living.

word for navel gazing, and “sufficiency” something only a slacker would want? Isn’t voluntary simplicity really a recipe for economic disaster?”

Various versions of these questions often come up in discussions about simple living and the prospects of its ever becoming a widely adopted way of life. They warrant close attention because at our current moment in history, economic ways of thinking have super-saturated the modern mind—the result of several generations of consumer culture indoctrination. They are in fact a *totalitarian ideology* in the sense that practically every other value or perspective of what it means to have a good life, to solve social problems, to mark progress, or to achieve something noteworthy tend sooner or later to be subordinated to the language of money. One evidence of this is the number of people who think that a conversation is “getting serious” or “getting realistic” when it comes down to dollars and cents. Money, and the methods we have for understanding what people do with money—economics—literally defines both reality and adulthood for many people. By contrast, everything else is considered more or less unreal or extraneous to the more serious business of keeping track of money. Whether or not such values are sustainable, and whether or not such anxieties have a factual basis, are both secondary when compared to the sheer psychological force and prevalence of economic thinking. It is a daunting task to suggest that there is no basis in reality for fear of juju spirits when a whole society has been utterly convinced for several generations that such fears are justified.

It is definitely worth while to try to imagine what life might be like if the majority of people valued mindfulness and sufficiency of material consumption rather than compulsive over-consumption. To do so, however, requires quite a bit of context-setting. By this I mean asking some fundamental questions about ideas which are currently taken for granted and which create an intellectual bias that can prejudice discussions and pre-ordain certain conclusions. Before we can imagine how an economy of simple living might operate, it is necessary first to deconstruct some of the popular beliefs which so strongly bias this conversation to the prejudice of simple living.

I must disclose from the outset that I am not a professional economist. In many quarters this might disqualify me from even offering an opinion on economic questions. But many have written on economic issues who weren’t economists. Moreover, the influence wielded by economic thinking touches so many aspects of our lives that steering entirely clear of such questions would entail silence on a great many important matters. In my own defense, I’m tempted to point out that even those who are super stars in the field failed to predict the Tech Bubble of the late ‘90s, the decade-long recession in Japan, the collapse of Asian commercial real estate markets, the poverty of ethics in global financial markets, the 9/11 crisis and the impact it would have on markets, the deflation of real estate values in North America, and in 2008, the worst economic recession since the Great Depression. Economists can’t predict much of anything really, unless the future resembles the past, which in today’s world it certainly won’t. Thus, in thinking about what the future might be like, I suppose my opinion is as good as an economist’s, given the discipline’s track record.

2. YOU ARE MICRO, EVERYTHING ELSE IS MACRO

To begin, it’s necessary to distinguish between what has been called “micro-” and “macro-economics.” The “micro” level is the level of economic activity where each of us actually lives. It’s concerned with matters that are closer to the meaning of the old Greek word *oikonomia* which is the root of the English word for economics, and means “care of the household.” Microeconomics is of intimate, personal interest because it pertains to things like household incomes, debt levels, individual employment, family consumption patterns, savings rates, etc. The GDP (a macro-economic indicator) can go up or down, but it’s not of much direct relevance

to the individual until it results in personal job loss or incurring additional expense because the interest rate on mortgages has suddenly changed.

A great deal of the literature about simple living abounds with sage advice about how individuals can reduce debt, economize on household expenditures, and practice forms of frugality that are truly liberating if your aim in life is freedom and leisure rather than overwork and affluence. I don't intend to repeat this advice here. Suffice it that prudent stewardship of our money is an important part of sustaining the well-being of ourselves and our families. It's also clear that a large fraction of the population is in dire need of such information and skills as how we manage money has been deeply distorted by consumer culture advertising, easy credit, and unrealistic expectations.

When people raise concerns about what the widespread adoption of a lower consumption way of life might imply, however, they seem to be standing at the "boundary" between the micro world of household money management, and the macro world of national economies, trade surpluses, public debt, and so on. They fret about what would happen if the habits of those they judge to be economically under-productive individuals suddenly got scaled up to the macro-economic level. As an already confessed non-economist, this boundary is profoundly mysterious to me because advice being offered even by economists themselves to one side of the boundary doesn't seem to carry over to the other side.

One example of this boundary situation is the saving/spending dilemma. Individuals hard-hit by the economic recession and carrying too much personal debt are urged to reduce spending, pay down high interest debt like credit cards, and save more as a shock absorber against future market turmoil and to provide more for themselves in retirement. But reducing personal spending is bad for the macro-economy which aims for ever-increasing sales of everything, especially big things like houses, cars, major appliances, and expensive holidays. If people reduce their debt loads, this also reduces the interest and service charges they pay to lenders like banks, hence reducing bank profits. If they save more for retirement, they are foregoing current consumption—essential to driving short-term economic growth in the macro-economy, hence reducing employment—in favor of deferring that consumption perhaps for decades until retirement. From my layperson's perspective, this appears to be a completely schizophrenic situation.

Another issue that must matter to us all is the gross injustice of a certain "asymmetry" that applies at the boundary between personal finances and the macro world of what has been colorfully termed "swinging dick capitalism." Individuals may exercise admirable self-discipline and prudence in paying their bills, saving diligently, investing ethically, earning honest money doing honest work. But as soon as we put money in the bank, it enters the world of macro-economics, not the least bizarre part of which is the machinations of all manner of financial speculators, traders, and parasites. These are people—mostly men, mostly young, and mostly testosterone-ridden and adrenaline addicted—who don't really work for a living. Instead, they speculate on financial markets using money belonging to others, making "bets" on essentially unforeseeable eventualities, partly because of the immense sums that can be made in the process, and at least partly because of the buzz this gives them in the place where other people have hearts. They also specialize in cooking up complicated investment "instruments" that have nothing at all to do with the actual work of creating value in the world. When these instruments go haywire as they did in 2007-2009, they can have real, tragic, and utterly unjust consequences for us ordinary mortals living on the hither side of the boundary region between the householders and the high rollers. The "power" that the swinging-dick capitalists exercise over us is, of course, our own greed in wanting to make money without working as well. So no one is entirely a victim in the system. Still, in my view, this is a social policy issue which cannot be resolved by individuals but requires instead a new social consensus of values respecting what we allow our money to be used for in macro-economic markets.

In any case, I mean to point out that the boundary between the worlds of personal finance and macro economics is a blurry one with what appear to be some rather mysterious changes happening as we cross from one side to the other. Many anxieties can thus grow up when we try to foresee what might happen if particular patterns of individual behavior became the general norm. The macro-economy appears to be, in fact, a “holon,” where a greatly increased level of complexity can produce emergent properties and behaviors in the macro-economy that could not have been predicted strictly by extrapolating from the properties of its individual parts (households). This all amounts to a somewhat complicated way of saying that it is hard to tell what might be the consequences at the macro-economic level of the widespread adoption of simpler living at the personal level. Conversely, however, there is as much reason to expect positive outcomes as negative ones, and probably a mixture of both. So I would like to move along now and take up more specifically some of the questions raised about how adoption of voluntary simplicity might affect the economy in general.

2.1 Simple Living Would Cause an Economic Depression

To begin, let’s consider the fear that simple living, widely adopted, would bring about an economic disaster—a depression (prolonged and severe contraction of GDP growth per capita) or worse.

We should note first of all that depressions and recessions are already accepted by economists as part of the “normal” course of “market cycles” in capitalist economies. Since systematic records of economic performance started to be compiled about 200 years ago (c. 1800), there have been 18 major recessions or depressions that have stricken the North American economy lasting aggregately over 80 years, or 40% of the time. These are not rare occurrences and are in fact endemic to consumer culture. We therefore consider it normal that large numbers of people periodically fall into poverty, and governments acting on behalf of the wealthy, use the taxation and borrowing powers of government to bail out “secured lenders” (preferred shareholders and bond holders) while leaving the rest of us and our children holding the financial bag for decades to come. An economic recession is thus both a period of flagging growth and employment, but more importantly, it is a conveyor belt that transfers money from the poor to the rich, all propaganda to the contrary. It is a ratchet that moves wealth inexorably into fewer and fewer hands while leaving the majority less and less well off.

The most recent example is the credit crisis in North America of 2008 arising from sub-prime lending practices caused jointly by greed (considered “rational” in consumer culture) and unethical business practices. It is also being aggravated by rampant speculation in commodities markets for both food and petroleum—also an accepted activity within capitalist systems. To imply that adopting a simpler way of life would somehow expose us to risks we are not already running is therefore neither fair nor historically accurate. It might be fairer to ask whether simple living would add some new risk factor for economic depression to those we already accept with business as usual.

Second, anxiety about the possibility that simpler living will collapse the economy presumes that the economy will not collapse if it continues as it is. This is an instance of a fallacy shared by much conservative thinking—that the future will resemble the past if only we don’t tamper with what has worked in the past. But there is mounting evidence that the past practice of externalizing the environmental and social costs of consumer culture cannot be sustained over the long term. Historically, when the human population was much smaller than it is today, and our technology much less powerful than it is now, it was possible to move on to new frontiers when the resources in a given area were exhausted. Today with large populations aiming to live high-consumption lifestyles, traditional approaches to production and consumption can no

longer guarantee that the future will resemble the past. It is the mainstream economy which will likely collapse under the weight of its unaccounted externalities and the dedicated practice of voluntary simplicity may be one of the best ways of preventing such a collapse.

Third, our past experiences with market cycles and economic recessions / depressions have usually been sparked by relatively discrete events like the stock market panics of 1929 and 1987, or the OPEC oil embargoes of the 1970s, the terrorist attacks on the World Trade Centre on 11 September 2001, or the current credit debacle arising from sub-prime lending practices. With these precedents providing the background of recent memory for any conversation about radical changes to our thinking about the economy, it is natural, though fallacious, to suppose that widespread adoption of simple living would be similar. But it seems extremely unlikely that the popular imagination would abruptly swing away from consumerism and toward voluntary simplicity, or that interest in simple living would suddenly spark a market panic like the announcements of valuation write-downs did in the sub-prime lending fiasco. A person's desire and capacity to live a strong form of simplicity generally develops gradually. The life stories of people who do this display considerable effort, application, and trial and error around exactly how to fashion a high quality of life on a low level of consumption. Moreover, there are a number of factors such as long-term debt obligations, the responsibilities of rearing children, and a variety of sources of social and financial inertia that make precipitous change unlikely.

Fourth, many discussions of economics assume that consumer culture with its extremely high rates of capital formation, competition, consumption and spending are historically normal—simply because they are what the current generation has always known. But the consumer culture we are so worried to protect has only existed since the early decades of the 20th century. Following the scientific and technical advances of the 19th century, industrial production was becoming so efficient that all of humanity's material needs could be satisfied on a much lower input of time and labour. This posed a crisis for capitalism which requires continuous growth to survive. So an alliance was formed among new mass media like newspapers and radio, an infant advertising industry, innovations in production technology including assembly lines and standardized interchangeable parts, and newly emerging specialties in applied psychology and marketing that made it possible not only to efficiently manufacture the goods and services everyone needed, but also to manufacture needs for products and luxuries that no one knew they desired until after seeing them advertised, mostly attributable to the pioneering work of Edward Bernays. The result has been consumer culture—in fact, a historical anomaly made possible only by cheap fossil fuels and a conscious program of developing a culture of hyper-consumption as a life insurance policy for capitalist profit (Curtis 2002). But to conclude from this that the only conceivable alternative to consumer culture is economic catastrophe seems questionable. One alternative to consumer culture is an economy which more resembles that of the late 19th century—not in the sense of a literal return to antique goods and technologies, but rather a return to more local and regionally-based, need-focused production using what have now become highly efficient production technologies, rather than fantasy-based hyper-consumption that is wrecking the ecosphere in the process. One of the effects of shifting to a needs-based production regime is likely to be a large increase in leisure but not necessarily an economic collapse. As the farmer/philosopher Wendell Berry has observed:

It [the economy] apparently can see no alternative to itself except chaos, and perhaps that is its chief weakness. For, of course, chaos is not the only alternative to it. A better alternative is a better economy. But we will not conceive the possibility of a better economy, and therefore will not begin to change, until we quit deifying the present one.

The change I am talking about appeals to me precisely because it need not wait upon 'other people.' Anybody who wants to can begin it in himself and in his household

as soon as he is ready—by becoming answerable to at least some of his own needs, by acquiring skills and tools, by learning what his real needs are, by refusing the merely glamorous and frivolous. When a person learns to act on his best hopes he enfranchises and validates them as no government or public policy ever will. (Berry 1970: 287)

Fifth, concern that simpler living might cause economic collapse takes an overly negative view of the capacity of the economy to innovate and adapt. One of the often cited virtues of “free market” economies as compared to centrally planned economies is that consumer demand for goods and services supposedly drives production rather than state policies or political agendas. A shift toward a simpler way of living would undoubtedly include a shift in the goods and services people want. Why should this be of such grave concern to those most anxious for us to know what bold innovators they are, how much they thrive on change, and how prescient they are of the future? How could it be that the economy would collapse when it is managed by such obviously superior beings?

Finally, an economy oriented more coherently for mindful sufficiency might incorporate some key principles suggested some time ago by Herman Daly (1995: 180-194). The overall scale of economic activity, essentially the sand box within which society allows entrepreneurs and speculators to play around, would be subordinated to certain physical and ecological limits established by science on the one hand, and by certain socio-ethical limits required for equity and peaceable relationships on the other. In consumer culture, ethical concerns are often forcibly separated from discussion of what benefits business—as if business interests operate in an ethical vacuum from the rest of society. But the events of 2008 have revealed what a short sighted and destructive perspective this can be. While there has been an encouraging growth in businesses that aim to conduct their affairs in an ethical and environmentally responsible manner, the fair trade, ethical investing, and sustainable fractions of overall economic activity remains small. At this writing, U. S. President Barack Obama is meeting with Chinese President Hu Jintao during which it has been reported that Obama sternly raised the issue of the Chinese record on human rights, but by the end of the day, both parties agreed warmly that this wouldn't impact their business relationship (Buckley and Spetalnick 2011).

2.2 Simple Living Would Threaten Globalization

Wouldn't reducing consumption in the developed countries have negative consequences for a globalized economy, and especially for the citizens of developing countries?

This is, of course, a complex question. Globalization is economically efficient because it distributes production to the areas of greatest comparative advantage around the globe. For some countries, globalization has brought economic improvements. For others, it has had negative consequences or is a mixed blessing. Rather than conferring a generalized benefit, the record of globalization so far has been mostly to change the distribution of benefits within and between societies, creating new elites and under classes as it goes, but not necessarily creating overall benefits. Moreover, the economic benefits it can show have often been achieved with environmental and social costs paid elsewhere (McGrew 2000: 345-364).

If our primary measuring stick of the good life is economic efficiency, then globalization is a no-brainer. If, however, we prize other values instead of, or in addition to, economic efficiency, then the “benefits” of globalization are not as clear. The whole rationale for globalization is that through improvements in economic efficiency and production oriented around one's comparative advantages, everyone will be “better off.” But better off in what way? The usual answer is that we will all be monetarily richer—and therefore better off. But is a country better off if it surrenders its food sovereignty to a global market it can't control? Is a country better off

if its diversely skilled citizens allow themselves to be “de-skilled” as they narrowly focus on activities or products in which they have a comparative advantage rather than maintaining an economically less efficient but more generalized capacity for self-reliance? Is a country better off if it trades economic efficiency for control over its own monetary policy, or for unrestricted access to resources that will be needed by its future generations, or for its wilderness endowment, or for its remaining intact and healthy ecosystems? Should economic efficiency be traded for social harmony and cooperation? And do the citizens of developing countries really want the security of their children to depend on the whims of consumers or market speculators half a world away?

In addition to these questions, we must ask whether it is prudent to wager our future on a globalized economic system that may not even be sustainable for another generation. Globalization of the economy requires inexpensive transportation. Currently, this system depends utterly on fossil fuels. As oil and gas become more costly, both because of increasing demand and diminishing reserves, is it prudent for any country to trade its capacity to take care of itself for a profitable comparative advantage that can be enjoyed only as long as cheap fuel is available? And should we be investing so heavily in economic arrangements that virtually assure additional increments in climate changing green house gas emissions?

From the perspective of economic efficiency, an economy organized to deliver material sufficiency rather than monetary growth would probably represent a step backwards. Less money would be made in such an economy and it would probably be less efficient in its capacity to exploit comparative advantages, or less willing to do so. Conversely, however, a more nationally self-reliant, locally-based “global community of local economies” might display higher levels of social and ecological efficiency than consumer culture can. It might produce less money, but more social harmony, a higher level of skill diversity among its workers, an economy better integrated with the local environment, and one less vulnerable to disruption by whatever fanatical madness grips a few humans this week in some godforsaken corner of the world. It may be that such an economy produces less monetary gain, and perhaps even less opportunity for monetary gain, but its citizens might be less interested in pursuing monetary gain once they had come to appreciate more fully the tenuous link between income and well-being (Alexander 2012).

Economic and international development policy for the last fifty years has assumed that the citizens of developing countries will be better off to the extent that they integrate themselves into a global consumer economy. We’ve urged them to focus on making toys or growing tea for us rather than using local resources and locally adapted technologies to meet the basic needs of themselves and their families—needs that don’t depend on psychological manipulation through advertising to manifest. In many cases, Northern importing countries do not need what they import as much as the Southern exporting countries need to export it. A recent example of this was the collapse in 2009 of Kenya’s export market in Europe for cut flowers. When the economic recession hit Europe, eliminating cut flowers from daily shopping lists was merely the prudent reduction of a clearly luxurious expense. For Kenya, however, it was the loss of a major export market. This is not a happy recipe for national security or social harmony.

2.3 Simple Living Would Threaten Social Services by Reducing Tax Revenues

It has been argued, with some validity, that if people embraced lower consumption living in large numbers that tax revenues would decline thus threatening government funded social services that we all depend on, including those who live simply. Some social services like tax-supported socialized medicine in Canada actually make it easier to live simply since one needn’t

hold a full-time job to secure essential health coverage. Therefore, this concern must be taken very seriously.

If widespread adoption of simple living remains purely an individual choice and never sparks a larger conversation about a politics of simple living, i.e., development of a menu of political, economic and social reforms that would flow from the changing social ethos, then hand wringing about lost tax revenues might be justified. It seems highly unlikely, however, that this would happen. Some of this anxiety might be due to a popular tendency to construe the meaning of “simple living” too narrowly. Again, our history of media exposure, our tendency often to think in terms of extreme opposites, and the custom in some quarters to think of simple living strictly as the practice of frugality, or else a way of life that celebrates laziness and indolence, could understandably lead to such a conclusion.

But consider the following: If voluntary simplicity is defined as including a reduction in the time we spend working, or a decision to live on a reduced income, then tax revenues would fall if we continue to derive them from the same sources, e.g., taxes on income. Pertinent to this topic, however, are two other considerations: (a) the question of what we need all this tax revenue for, and (b) an already long-standing discussion about whether taxing income is the best way of raising revenue for public services.

To embrace simple living involves much more than just working less, or spending less. It generally entails a gradual but pervasive lifestyle shift which involves diet, activity level, housing arrangements, how leisure time is used, etc. Governments currently spend large amounts of tax revenue on health care programs, social welfare programs, prisons, armies, police forces, national security measures, and huge incentives and subsidies to individuals and corporations to keep consumption and production expanding, i.e., to promote economic growth. If we imagined instead a society in which most people lived more simply, where there was greater income equity if not strict equality, more leisure time was available and that time was more focused on re-building community and environmental restoration, where people lived more active and self-reliant lives that engaged them more physically and directly in the getting of their living—if some of these things happened, it is also easy to imagine that there would be less need for tax supported social services and business subsidies. Moreover, the transition from what we have now to what we may have then could be a gradual evolution toward something different. As tax revenues declined, the need for them might also decline.

There is also the question of how we raise revenue for collective undertakings. Currently, a large fraction of taxes are derived from taxes on consumption, and corporate and personal income. There have been numerous proposals to shift this structure toward one that taxes social and economic “bads” like carbon emissions, pollution and waste rather than “goods” like personal income. There is also a long-standing debate about many things that are done by governments to manipulate the economy or support specific corporate players in the economy through the use of subsidies, grants, incentives, licenses, etc. In short, there are things upon which governments currently spend tax monies that they might cease doing to good effect. It is certainly possible to realign the sources of government revenues so that they are less perversely stacked against those who would choose to live at lower income/consumption levels.

It may also be helpful to have a conversation about how society offers incentives for certain essential services that are perverse to achieving their intended goals. For example, why do we pay physicians regardless of whether their patients get well and stay well or not? Why do we pay the police to fight crime rather than prevent it? Why do we extend lengthy patent protection to pharmaceutical companies that fail to bring effective drugs to market which treat real illnesses rather than designer drugs for invented “conditions” that a generation ago were simply part of aging, or nothing that an honest day’s work wouldn’t cure? Why have we allowed taxation systems and legal codes to become so complex that they support an entire cohort of

accountants and lawyers who add no value to society or the economy other than helping us navigate a labyrinth of their own making? Why do we allow the patenting of life forms and seed varieties by corporations when there was utterly no demand for this product in the first place, and which has merely become a thinly veiled program of subjecting the entire human food supply to corporate control? And why do we permit outright economic parasitism when banks and other financial institutions charge usurious interest rates for credit and service fees incurred merely to spend one's own money? Why do we tolerate governments (i.e., us) being left on the hook to bail out foundering financial institutions that write bad loans or corporations that despoil the environment and leave the mess to be cleaned up at public expense?

Such questions are not purely rhetorical. If our aims were promoting human well-being and ecological sustainability, none of these perversities would be tolerated. Since our aim has been to make money seemingly by making our lives as complex and burdensome as possible, any perversity makes sense if it's profitable. When doctors get paid for keeping people well, when police develop communities rather than oppress them, when drug companies produce compounds for real diseases that actually work without inventing illnesses in the process, when taxation and legal systems are made more transparent and equitable, when the cost of "financial services" is linked in some rational way to the price of actually delivering them, and when we cease rescuing at public expense the greedy, the adrenaline-addicted and the criminal, then we may find that we need far less tax revenue than in the past.

Finally, so enchanted are we with the mantras of economic growth that we seldom appreciate that growth itself incurs costs most of which are paid from public funds. A corporation or developer comes to town with attractive drawings of a new factory, promising hundreds of jobs and a boost to regional growth from the stimulus that capital investment often creates. Seldom part of these presentations is any assessment of the short and long-term costs to the community—costs for social services, infrastructure, education, health-care, utilities, etc.—costs which often involve high fixed overheads whether or not the corporation succeeds in its business. Entrepreneurs sound dynamic and adventurous and forward thinking, but they live in a world of risks and benefits. They are accustomed to winning some and losing some and then moving on to the next game in the next town. The towns they play in, however, are often left with streets going nowhere, housing that no one can afford, excess capacity in public utilities, and unemployed workers applying for welfare if the company folds up. All of these costs take tax revenues which in a society more oriented toward simpler living might be avoided or reduced (Meadows 2004).

2.4 If We Don't Buy Stuff The Poor Will Starve

The final objection to simple living that I will address is the recurring pseudo-concern respecting what would happen to people working in developing country sweatshops and brutally managed plantations if North American consumers stopped buying their products. I call this a "pseudo-concern" first because I fundamentally question its sincerity, and second because such an objection can only be raised in ignorance of the history of colonization and economic exploitation standing just behind business-as-usual in North America.

Justifying one's own over-consumption on the grounds that continuing to do so is an altruistic gesture that provides employment to the less affluent around the world simply stretches credulity beyond toleration. While it may be true that in some cases, developing country workers in assembly plants, garment mills, and toy factories may be receiving higher monetary incomes than they would living in agrarian villages, it is also true that they are paid a criminally small fraction of the total price of most goods and services sourced from such companies and sold in the North. Our hyper-consumption mostly supports corporate profits

and shareholder dividends in developed countries. In fact, it is a widely acknowledged fundamental of capitalism that it requires access to large pools of impoverished workers to keep labor costs low. As we see every day, in a globalized economy, capital will flow wherever labour is cheapest. As labour becomes more expensive, powerful incentives are created to invest in automated labour-replacing technology. So while we may try to salve our consciences with the delusion that shopping is essential to lifting the poor out of their poverty, the reality is that this is a particularly self-serving myth.

Second, while it is true in some cases that developing country workers may be better off in the factories and plantations of global corporations than they were a decade or two ago, this opinion is historically myopic. Today, much of the grinding poverty that people are trying to escape is itself the direct or indirect result of previous rounds of colonization, exploitation, evangelization, and modernization imposed on indigenous cultures by outside colonizers (Bernstein 2000: 241-270). In the 16th century, Europeans aimed to bring the “blessings” of Christianity to “the ends of the Earth”, along with a healthy dollop of greed for the gold, silks, spices, and the natural resources of distant others. In the 17th century, we were spreading the “benefits” of mercantilism. In the 18th century, we were shamelessly stripping the world of labour through the slave trade, and of resources for the first round of capitalist industrial expansion. In the 19th century, we aimed to “share” with the world the blessings of European “civilization,” science and technology—no small fraction of it, our military technology—and to continue the flow of raw materials into a rapidly industrializing Europe and North America. In the 20th century, our aim was to introduce “modernity” which would free the world from the shackles of superstition, ignorance, and the worst sin of all—underdevelopment—i.e., not being like us. These “civilizing” efforts on our part brought two world wars and a host of regional proxy wars during the Cold War period, most of them fought on lands belonging to “developing” countries. By the late 20th century and the dawn of the 21st century, we are once again re-colonizing the world to “share” the benefits of globalization, structural adjustment, biotechnology, information technology and offering the chance of a lifetime to become full partners in the “crusade” against global terrorism. What we have been singularly incapable of doing is leaving other people peaceably to themselves to develop their societies, or not, along the lines they themselves choose. The truly stunning miracle of the last five hundred years is that any indigenous populations survive at all, given all the love and concern we have so selflessly lavished on them.

To suggest then that a continuation of this process of economic exploitation through further rounds of consumer culture expansionism is a moral obligation on our part seems an attitude deliriously out of touch with the lessons of history.

While considerably more might be said in defense of a lower consumption way of life that falls into the “ain’t necessarily so” category, there will be value in focusing instead on just what the economic arrangements might be of a society that chose simple living, not as a requirement—for this has never worked historically—but as a widely and voluntarily adopted preference.

3. AN ECONOMY OF SIMPLE LIVING

Since the humbler meaning of economics as “care of the household” is tied up with well-being, no treatment of economics can be divorced from some underlying set of beliefs, whether explicit or implicit, about what makes for well-being (the good life). I understand an economy to be *the set of all human activities* (for not everything people do is ‘economic’), *together with the technology necessary to transform energy and materials provided by the Earth in service of a certain concept of the good life*. If we believe that a good life will be achieved by building bigger

and bigger statues, then we get the economy of Easter Island and technology to achieve those goals. If the good life is ultimately found in an afterlife our conveyance to which requires the construction of massive burial monuments, then we get the technology and economy of ancient Egypt. If the good life consists in simply having more of everything we can imagine faster and bigger than ever before, then we get the blistering cancer of North American consumer culture with an economy and technology to match. My point is that there isn't just one set of economic "laws" that somehow exist separately from what we want. As historically we have wanted different things at different times and places, so we have seen different economies appear to serve them. This is both good news and bad news. The bad news is that our economic experiments have generally been pretty disastrous, and paradoxically, especially when, as pointed out by Ronald Wright in *A Short History of Progress* (2004) they were most successful.

The good news is that, on the historical evidence, it appears that human beings are capable of conceiving a diversity of "good lives," including ones that are far lower on the material consumption scale and far more sustainable than the consumer culture in which we now live. For most of human pre-history and ancient history, our economies were not concerned with money at all—money itself being a fairly recent invention.² Thus we find grounds for hope that we may not be genetically programmed to breed and consume ourselves to extinction.

It is this set of beliefs about what is a good life that is the hinge between present day consumer culture and how some proponents of mindful sufficiency imagine themselves living. In germ, I propose that an economy of sustainable living would be organized to achieve different goals and in different ways than our present economy. It would offer a different measure of success, engage different technology, and go about meeting human needs in a different way. These differences would not be so radical as to be unrecognizable to us, but they would definitely imply creating new institutions, dismantling others, developing a new menu of policies and development priorities from the one current, and organizing everything to achieve substantially different goals. Some of these changes may require the recollection of historically older ways of doing things; other changes may require sheer invention. These goals are in no way foreign to our humanity—in fact, they would be more authentically reflective of it. But they would be different from how we organize our economic affairs today, and achieving them would require a thorough-going and probably fairly lengthy process of social evolution—certainly a generation and perhaps more.

A very intriguing contribution in this direction is offered by Veronika Bennholdt-Thomsen and Maria Mies in their book *The Subsistence Perspective* (1999). These authors bring a feminist and Earth-centered perspective to a discussion of economics, in contrast to the male-dominated money-centered perspective of traditional economics. Their proposals spring from the idea that a "subsistence" economy, far from being concerned with mere survival, is instead an economy whose first concern is life and enhancing the conditions which make for more life, ecological productivity, health, and vitality. This is achieved through ecologically sustainable production regimes within ethically defined limits intended to protect the interests and well-being of life-oriented cultures. Such a system can thus be contrasted with "death-oriented" economies aiming for resource extraction and consumption with the goal of expanding

² Metal objects which represented value which previously had been exchanged as commodities were first used as money about 5000 BCE, and the first coins were minted by the Lydians around 700 BCE. Paper money was invented by the Chinese in the 3rd century BCE, but its use didn't become widespread for another two millennia. Today, money has taken the form of electronic and credit transactions which involve no material objects at all, and whose value is established by both government fiat and currency market exchange values, neither of which are under the control of individuals. See: Bellis, Mary *The History of Money*, About.com Guide.

commodity and excess value production so as to promote the interests of capital (profits) rather than promoting the interest of life.

Before moving forward, I think it is a mistake to treat the economic aspect of simple living apart from the other changes to society and politics that would likely coincide with the economic changes implied by a lifestyle of sufficiency rather than hyper-consumption. It's hard to imagine significant change coming to the economy without a parallel politics of simple living and changes arising which are not about simple living per se, but which stem from other values shared by people who make a commitment to simple living. Surveys have shown that people who self-identify as living simply also display a preference for holistic approaches to health care, tend to choose locally produced organic foods, tend to opt for human-powered or pedestrian transportation, tend to be involved as volunteers in community-focused projects and activities, and so on (Elgin 1981; Johnston & Burton 2002; Pierce 2000; Young et al. 2004). While these are not direct results of simple living, they are attitudes and values correlated with it. It's reasonable to expect that in addition to opting for a less consumptive lifestyle, people with such values would also be working for changes to public policies, social welfare systems and services, settlement designs, transportation systems, and a host of other things which would have economic implications. Thus a shift to mindful sufficiency would involve a major social transformation, reflected in the economy to be sure, but elsewhere as well.

A first approach to an economics of simple living might consider the major economic sectors and how a shift to simpler living might be manifested in each. And let us remember that we are moving here from the realm of micro to that of macro economics:

3.1 Primary Production

Primary "production" refers to activities which in fact represent primary extraction, or perhaps even primary degradation, of ecosystems by human beings. Such activities include mining, fishing, forestry and agriculture / aquaculture. In Canada in 2007, about 2% of the workforce was engaged in extractive industries (Wikipedia 2008). The comparable statistic for the United States is 4.5% (Federal Reserve Bank of Boston - Bureau of Labor Statistics. 2007).

Basic to mindful sufficiency are the axioms that simple living involves less consumption over all, and changes in consumption choices of material things which are necessary. We would expect then that people living in smaller homes or perhaps multi-family residences like co-housing or ecovillages would be consuming less metals, forestry products, heating fuels, furnishings and so forth, and that less of these goods would be allocated to mere social display than is current in consumer culture. Correspondingly, the scale of mining and forest harvesting activities would be markedly reduced, hence reducing employment in these sectors and corporate earnings from them. Partly compensating these losses would be improved conservation of forest ecosystems, habitats, watersheds, species, and reduced environmental damage and health impacts from mining and forestry product industry wastes and pollution.

Conversely, however, it is reasonable to assume that a society that broadly adopted the ethos of simple, environmentally sustainable living, would be replacing a significant proportion of extractive primary production with recycling of primary materials. Jobs lost in the primary extraction industries might be more than replaced by jobs created in recycling and remanufacturing. It may even be the case that more jobs would be created than lost under such a regime as mining and forestry have become highly capital intensive and automated businesses whereas recovering materials from manufactured products for recycling is more labour intensive and therefore more productive of employment. We might hope to see then, a contraction of mining and forestry activities compensated by increased employment in

recycling / materials recovery industries and a reduction in the environmental externalities associated with present day extractive industries.

The question of fishing, aquaculture and agriculture deserves separate treatment because people who live simply need to eat just as much as those living consumptively. Differences here would likely arise from changes in food choices sourced in other motives than the desire to live simply, but which are often found together with such a desire. For two generations now there has been a lively debate concerning whether a corporate agri-food system designed to maximize profit is the most environmentally sustainable, aesthetically desirable or most health promoting system that can be imagined. Abundant evidence now exists showing that perhaps 90% of food fish species have already been extracted from the world's oceans with a total economic collapse of the global food fishery anticipated within only a couple of decades (Winnipeg Free Press 1998). Global agriculture is depleting topsoil at many times its natural replenishment rate and agriculturally productive areas continue to be threatened by salinization, desertification, urbanization and fresh water scarcity, and climate change (Pimental et al. 1973). The global food system has also largely come under corporate control within regimes of globalized production for comparative advantages which has in effect recently subordinated commodity production for human nutrition to production of biofuels for transportation, or as a purely speculative financial investment (Globe and Mail 2008). While aquaculture may hold promise to alleviate some of the more destructive consequences of the industrial open sea fisheries, it is a developing industry with environmental and human health challenges of its own (David Suzuki Foundation 2012). Moreover, all food system production, processing, marketing and distribution activities are highly fossil fuel dependent. It is increasingly clear that the current organization of the agri-food sector is neither environmentally nor economically sustainable in the long term.

Simpler living has generally been associated with a preference for a more localized and self-reliant lifestyle. People adopting simpler living tend to prefer organic, locally produced foods and to bring a somewhat more mindful approach to their food purchasing choices which includes consideration of the social and environmental aspects of the food system—considered as a system—rather than merely assessing the appearance and price of the foods they buy. An economy of simple living that included a sustainable and socially just food system would therefore likely see a downsizing of the global food production and distribution system with a corresponding increase in local organic production of food for local consumption. A less fossil fuel dependent food system would also likely see an increase in the demand for agricultural labourers as food production became less mechanized, or perhaps differently mechanized than today. A predictable loss of jobs and depreciation in the value of capital assets now employed by the global food production and transportation industries might nevertheless be replaced with smaller scale, more locally focused production for local markets. In a classic essay entitled "Does Community Have Value," the philosopher-farmer Wendell Barry convincingly illustrates that small scale production on family-owned farms tends to be associated with higher rural population densities and more profitable operations per hectare than are large-scale corporate farming regimes (Berry 1987: 179-192).

Given these considerations, it would seem that a general shift toward simpler living would have significant effects on the primary production sector of the economy and would imply substantial shrinkage of some major industries. These changes, however, could be accompanied by potential increases in employment and economic activity in materials recovery / recycling and organic local production of foods as well as a transition to a more sustainable fishery.

3.2 Construction

A major sector of the economy is construction, employing in Canada in 2007 nearly 6% of the workforce (Wikipedia 2008) and in the United States, approximately 5.6% of the workforce (Federal Reserve Bank of Boston - Bureau of Labor Statistics. 2007). The impact that simpler living might have on construction depends partly on how our future society envisions more sustainable approaches to meeting our shelter and transportation needs.

Since mindful sufficiency implies a general downsizing of one's material footprint in the world, it is reasonable to assume that this might also imply a downscaling of residential buildings, though the need for public buildings and commercial and industrial construction is more dependent on the scale of overall civic and economic activities. A more sustainable and simpler approach to living would almost certainly imply fewer people living in fully detached single family houses and more living in multi-family dwellings. A generally lower level of material consumption might also imply a reduction in the scale of industrial and commercial buildings—particularly as recycling, remanufacturing, repair and maintenance businesses come to replace enterprises based on the processing of virgin resources. As people transferred their attention and energy away from increasing their incomes and placed it more on rebuilding family and community relationships, however, there might be increased interest in constructing larger and more attractive public buildings, libraries, museums, parks and plazas.

Decisive to the implications these changes would have for the construction sector of the economy depends on how society answers 'the sustainability question' going forward. There are at least four general approaches that might be considered to meeting the legitimate human need for built environments.

Our current approach views architecture as a semi-durable but ultimately disposable "product" the characteristics of which are determined by the profitability to be derived from building, selling or renting whatever is constructed. Market capitalism is characterized by high rates of change which includes high rates of demolition and construction of buildings since both urban and rural landscapes are under more or less continual "renovation." The result is a continually changing built environment that generates enormous quantities of waste and huge environmental impacts as everything is transported and built with fossil fuel intensive technologies and materials. In North America at present, with the exception of a handful of "heritage" buildings which must be doggedly protected at every turn from the predations of "developers," the entire stock of public and private buildings is replaced on a cycle of less than 100 years. Nearly everyone who now recognizes that such practices are entirely unsustainable in the long term has three alternatives to consider.

One approach might be to imagine simple living as implying even less durable buildings than we currently erect today. From this perspective, buildings could be designed to "biodegrade" more efficiently than they do today and disappear completely within the lifetime of their owners. One of the problems with much contemporary construction is that semi-durable buildings use some very durable components made of plastics which will never degrade and thereby represent a continuing, if not eternal, pollution problem. If buildings could be made more completely biodegradable and/or recyclable, these environmental impacts might be minimized or avoided.

Among the benefits of this approach would be a rapidly degrading stock of buildings which would require continual reconstruction creating many jobs for builders and manufacturers of building products. It would also assure the relatively rapid disappearance of all sorts of buildings thus reducing the physical impediments to introducing new technologies or approaches to urban planning. It might also reduce environmental impacts because all materials would be designed for greater biodegradability or recyclability.

Among the disadvantages of this approach would be a very high “through-put” of materials and energy needed to meet human shelter needs—itsself likely a challenge to sustainability even when “renewable” materials are being used. Energy resources would still be needed in abundance to process and erect degradable buildings which would have its own environmental impacts. “Heritage buildings” and with them, a sense of history-in-place would be impossible. There would also be the matter of how well such buildings would protect people from the elements or continue to be healthy places to live as they degraded beneath us. In many respects, such construction might share many characteristics with the shelters built by pre-industrial cultures—biodegradable to be sure, but drafty, dirty, dingy and dangerous to one’s health.

A second approach consists of construction designed to be much more durable than present practice. Here we would aim to develop human settlements consisting of buildings designed to last a very long time—centuries to be sure---rather like the best of the old cities of Europe and Asia. The logic of this approach rests on the assumption that it does not require ten times the materials and energy to construct a building that lasts ten times longer. As long-lived buildings came to comprise a larger fraction of the total building stock, we might expect to see a reduction in the need for new construction with a corresponding saving in energy and materials. More durable buildings would therefore be more sustainable in the long run—especially if they were designed with sufficient flexibility to accommodate new technologies and new uses in the future.

Within this second scenario, we would expect a general contraction of the construction industry and building supply enterprises as the rate of construction of new buildings gradually declined. Counterbalancing this trend, however, would be a likely increase in building renovation and maintenance services and product suppliers. Much more attention would be given to maintaining and restoring existing buildings than to demolishing and replacing them. There would also be a growing sense of heritage and tradition associated with such buildings, people would enjoy a stronger sense of place, and more attention would be given to creating beautiful buildings and universally useable design elements such as those described in Christopher Alexander’s architectural classic *A Pattern Language* (1977, 1979). Alexander studied ancient buildings and cities to identify design elements that solve the perennial needs of human beings. From these, he distilled a set of design principles that represent historically long-standing and satisfying solutions to these needs. So useful were his observations that they have been generalized far beyond the field of architecture and are now applied in diverse design disciplines.

A third approach is that represented by the emerging discipline of “restorative architecture”—still very much in its infancy. Here architecture is approached as a sort of life-science aimed at constructing buildings that integrate with, participate in, and effectively enrich and restore their natural environments while also meeting human needs for built environments. Goals here include buildings that produce all the energy they need rather than draw it from distant power grids, or buildings that recycle and reprocess their own waste products in closed-loop systems, or buildings that are “grown” rather than “constructed” using biotechnologically altered plants or plant-like building materials. We might also imagine building elements that are edible so as to integrate meeting the human needs for food and shelter within a single technology.

As attractive as such a prospect might be to some readers, at this writing, concepts like these reside closer to the realm of science fiction than demonstrable practice. We already know a great deal about how to build very long-lived structures from environmentally relatively benign materials like wood, stone, glass and ceramics. Less likely, but not entirely impossible, are more biodegradable or recyclable buildings. The technologies necessary for a fully restorative approach to architecture still lay some way off in the future and may not be ready for large scale diffusion in time to mitigate the sustainability crisis which is already upon us.

Regardless of how humanity decides to satisfy its need for shelter, the more general implications of simple living for the construction sector of the economy are considerable. A general move away from the single family house as the sine qua non of the good life would sharply reduce employment in residential house construction. A more localized economy would reduce the need for large scale industrial construction, building ports and container shipping facilities, and probably also for transportation infrastructure—or at least a change in the character of such infrastructure. There might also be a reduced need for “mega projects” such as dams, tar sands extraction projects, highway systems, and commercial construction of many types.

Conversely we might expect to see increased activity in construction of public buildings, small-scale and sustainable energy projects, organic / permaculture food production facilities, landscape restoration and “de-paving” programs to return more urban land to food production activities and recreation spaces for a population with more leisure time to spend. Construction which today essentially services the interests of automobiles might be replaced by projects that enhance active transportation infrastructure (cycling, walking routes), urban mass transit systems, and sustainable, high-speed inter-urban transit systems like high speed rail powered by electricity or hydrogen fuel cell technologies.

3.3 Transportation

Donella Meadows, one of the original authors of The Limits to Growth simulation exercise of the 1970s, reported facilitating a visioning exercise with some German engineering students around a more sustainable community. The students could envision sustainable housing, and food production, and waste and water management systems, but try as they might, they couldn't imagine a sustainable transportation system. Certainly they could imagine one more sustainable than our present transportation technology, but not one which was truly sustainable in any absolute sense. Their conclusion was that people living sustainably would probably travel very little (Meadows 1996). But this still doesn't address very adequately the need to transport materials, finished goods and commodities from areas where they are abundant to areas where they are scarce. Transportation is a major sector of the existing economy and while it must diminish in any future economy based on mindful sufficiency and local self-reliance rather than globalization, it will still hold a prominent place among human activities.

Consumer culture also finds itself in an interesting dilemma respecting transportation. The push for globalized free trade which has been going on since the 18th century but which only achieved significant realization since about 1980, depends utterly on cheap fossil fuel for transportation. Unless major discoveries of new oil deposits are made soon, however, there is a very high probability that diminishing oil supplies will rapidly increase the cost of transportation worldwide, especially when the use of oil for transport comes more directly into competition with its use for food production (Campbell & Laherrere 1998). This will effectively end the globalization experiment unless equally inexpensive transportation technologies using renewable forms of energy can be developed and implemented very quickly—an unlikely eventuality. On the other hand, if major new deposits of oil are discovered, thus making the world safe for globalization, the net effect will be to aggravate climate change by increasing carbon emissions. Thus globalized regimes of consumer culture face the unpleasant choice between ending globalization or intensifying climate instability—or else undergoing fundamental change in its basic assumptions about the good life.

While it is not at all clear at this writing how this dilemma will eventually be resolved, we can say that the practice of mindful sufficiency implies a more active, environmentally

sustainable approach to transportation. Thus we might expect to see many changes to how we currently meet our transportation needs. Many people are now recognizing that transportation systems that depend entirely on fossil fuels are collapsing due both to price increases and supply restrictions. It is obvious that our society must engage the process of transitioning to a less energy intensive transportation system as well as generally more locally self-reliant, diverse and regionalized economies.

Every modern society must move goods and materials from the regions where they are produced or in abundance to areas where they are consumed or are in scarcity. This will be no less true for a society of simple living. We might expect, however, a reduction in the quantities of goods and materials transported corresponding to the reduced consumption of such goods by the population generally. As the economy, particularly food production, becomes more localized and self-reliant, the need to transport food long distances would diminish. A more localized and self-reliant economy generally would participate less in a globalized economy requiring large ships and particularly aircraft. It may even be that air travel becomes a rarity given a reduced need for speed and the environmental impacts of aircraft.³

Perhaps the chief impact to the transportation sector of the economy might be a large shift of the population away from the use of automobiles to more human-powered modes of transportation. No such shift is likely to occur on a large scale without a corresponding re-design of human settlements generally so as to make them more pedestrian friendly, compact, and better serviced by mass transit. But any decided shift in the direction of mindful sufficiency necessarily implies finding less complex, costly, and environmentally damaging transportation alternatives than the individual automobile whether those consist of walking, cycling, or other forms of “active transportation.” Such a shift would effectively contract much of the manufacturing, marketing, servicing and secondary services and product industries currently serving automobiles. Some employment would likely shift toward jobs related to construction, servicing and staffing of urban mass transit systems as well as serving the needs of cyclists—and of course the need would remain for cargo vehicles to move goods and materials from place to place.

As transportation technologies shifted toward active transportation, more urban mass transit, and a reduced use of aircraft and highways for inter-city transportation, there would be a corresponding change to the transportation infrastructure and amenities associated with it. We might see improved passenger train services and stations, fewer highways and parking lots, more bike stations and pedestrian walkways. All of this would employ people differently than is currently the case, as well as constructing (and demolishing) everything required during the transition.

3.4 Manufacturing

Manufacturing represents a diverse sector of the economy. In Canada, compared to other developed countries, it is also a relatively small sector, employing only 13% of the workforce

³ There are some very immovable physical limits involved in the relationship between energy consumption and speed for any object moving through an atmosphere. While streamlining of car bodies and airframes can certainly help, regardless of the shape of an object moving through air, the air resistance is a cube function of the speed, meaning that the energy necessary to overcome air resistance increases dramatically as a function of speed. Going fast is energy intensive no matter what technologies are brought to bear on the problem. Sustainability of transportation using renewable energy sources therefore implies a slowing down of commerce, if not life in general, regardless of how we design transportation vehicles.

(wikipedia 2008), and 10.2% of the workforce in the United States (Federal Reserve Bank of Boston - Bureau of Labor Statistics. 2007). Manufacturing refers to any industrial operation which transforms the products of primary production into usable goods for sale.

Considered from a simple living perspective which tends to value smaller scale economic activities, a re-localize economy, and greater emphasis on self-reliance, we might imagine manufacturing in such a society to move away from highly automated, capital intensive production of mass market goods and toward more craft, artisanal and custom-built products. This is economically inefficient to be sure, but also depends in large measure on what we want an economy to do for us. This in turn depends on how we conceptualize the role of work.

In his classic book *Small Is Beautiful*, E. F. Schumacher (1973) proposed that to create a more sustainable and humane economy, we might consider the perspective of “Buddhist economics,” including the idea that the main purpose of work is the perfection of human character, not generation of profit for its own sake. The economy should employ people using tools—devices designed to ease work and extend the creative process—rather than machines—devices designed to separate and alienate people from work. Work produces goods that fulfill real needs, and engages people in tasks that help us discover and express our interdependence and develop our capacities for spiritual liberation. Work becomes a means of meeting our material needs, to be sure, but also the crucible within which we perfect our character and learn to create communities of interdependence and common-wealth. But to achieve such goals would clearly require some measure of the “de-automation” of workplaces, not so as to re-immense people in hazardous or onerous tasks—for those are the proper domains for automation—but rather to return to people to a more holistic involvement in their work, and allow for greater personal contributions to the products being manufactured. After all, even the Latin roots that comprise the word “manufacture”—*manus* (hand) and *facere* (to make)—means to “make by hand.”

Manufacturing activities in a society oriented toward simple living would in part resemble those of the present day but might differ in certain key respects. First, strong markets might be created for tools and other goods that assist people in the practice of self-reliance, such as gardening and construction tools, equipment for the home processing and preservation of foods, a resurgence in clothes making activities, etc. We might also expect a decline in the manufacture of all sorts of disposable or single use products with a corresponding increase in products designed for easy recycling, operations which remanufacture or repair other products, and which use recycled materials to create new products. Commonly we would expect to see more and more products related to meeting authentic human needs and fewer and fewer items being brought to market purely because profits could be made by convincing people to want them.

Toxic to sustainable living is any form of design obsolescence, and we might expect that this practice could even be prohibited by statute. Design obsolescence occurs when science or technology are applied to the design of products in such a way as to assure that they will fail sooner than might otherwise be the case if the best of scientific and technical knowledge were applied to the goal of producing things that efficiently perform their intended purpose and last as long as possible. Designing products to “fail on time” is a widely used and effective method for increasing consumption. It forces consumers back into the marketplace for goods which would not have failed so soon had they been better designed and manufactured in the first place. Another form of this same practice involves using marketing methods not to inform consumers about products, but to create fashion trends that promote the replacement of goods before they wear out, but instead because they are simply out of fashion. Another example of the same thing is designing information products such as computer software to include functionally trivial changes but which still require the user to purchase upgrades, or even equipment replacements “to keep up.” The net effect is high corporate profit but at the cost of

producing more wastes to landfill, the extraction of more resources, use of more energy, and of course, higher overall costs to the consumer. Anyone wishing to live on a lower income with fewer hours of paid work needed to support oneself must see design obsolescence as a particularly egregious form of economic oppression.

3.5 Services

The “service” sector of the economy is hugely diverse, including retail sales, business services such as financial services, real estate and communications, education, health services, tourism and entertainment. It also includes the full spectrum of “personal services” such as legal and accounting services, child care, household maintenance, yard care, and cleaning services. In Canada in 2007, 76% of the workforce was engaged in the service sector in one way or another (Wikipedia 2008), and 60.5% in the United States (Federal Reserve Bank of Boston - Bureau of Labor Statistics. 2007). By developed country standards, this is a very large fraction of the workforce, since in most other countries a larger share of the population is engaged in manufacturing.

Because of the very diversity of the service sector of the economy, the effects that a major social shift toward simpler living might have would be equally diverse. People adopting voluntary simplicity might choose to work less which in turn might reduce the need for child care services but could increase demand for recreational and leisure services. A more active lifestyle marked by a greater interest in holistic health practices and health maintenance products and services would hopefully dramatically reduce the need for medical services even as it increased the market for recreational services and teachers of disciplines like yoga and martial arts that contribute to overall wellness. The emphasis on self-reliance within voluntary simplicity might manifest as an increased interest in growing, preserving and preparing food at home, with a corresponding reduction in restaurant patrons, but perhaps a countervailing increase in attendance at cooking classes and gardening seminars.

As society becomes more focused on non-material understandings of the good life, we may witness a truly breath-taking renaissance in adult learning activities of all kinds. Teaching and learning art, storytelling, music, dance, languages, all variety of literary and performing arts, the arts, humanities and sciences in general, and all manner of training for self-reliance might witness a huge flowering. With expanded leisure time and reduced interest in purely instrumental learning, we might also see a greatly expanded interest in and engagement with the natural and social sciences, space exploration, and a renaissance of the human potential movement.

One service sector requirement which, sadly, will likely be increasing in demand in the future is toxic and degraded site restoration services. Consumer culture has left, and continues to create, a truly staggering legacy of depleted and degraded ecosystems and poisoned rivers, sea coasts, and landscapes. Earth cries out for re-forestation, and a concerted program of wildlife habitat restoration. We have also to face the business of removing and dismantling objects of human physical culture which should never have existed in the first place—land mines, munitions dumps, nuclear reactors that require decommissioning and demolition, and hundreds of thousands of hectares of military facilities, practice grounds, and test sites that require reclamation and rehabilitation. Left unattended, all of this detritus of fear represents a ticking bomb for future generations and other species. If we take up the challenge of righting the wrongs of the past, however, it is obvious that much “employment potential” exists here for very meaningful service.

No less pressing than restoration of the natural environment is rehabilitation of our built environments. At this writing the suburban landscapes of North America are poised to collapse

under the triple crises of neglect, lack of access to mortgage credit and soaring fossil fuel prices. As market economies continue to plunge past peak oil into uncharted territory, one of the few certainties available to us is that the future will not much resemble the past. It could be the case that the great North American suburbs will in a decade or two, be as hollowed out as the inner cities were by the flight to the suburbs in the latter part of the 20th century. In any case, given the new realities of our collective sustainability challenge, we must reinvent our cities and towns from the ground up for the relocalized, solar-based societies of the future. This will require a great deal of reconstruction of city neighborhoods, probably with more multi-family residential buildings using more materials recycled from the existing building stock. The most costly element in any construction project is labour. In the simple living society of the future, it may be that more people will choose to spend more of their leisure time working with some greener and more environmentally conscious descendent of organizations like Habitat for Humanity—literally reconstructing our settlements with volunteer labor and reclaimed materials.

If mindful sufficiency finds expression as more people earning less money, we might see lower overall rates of capital formation (savings). A smaller pool of capital available for credit purposes might place upward pressure on interest rates, in turn making credit more expensive and potentially reducing the use of credit even further. From a simple living perspective, this is a good thing, as “credit” is not viewed as the royal road to a good life, but rather, as a synonym for debt-slavery. Much of what passes today for “financial services” are in fact, very creative and subtle forms of such debt-slavery or else outright financial parasitism. As the need and the desire to seek the good life through over-consumption and the over-spending needed to sustain it decreases, we might see a corresponding contraction in financial services as a consequence.

4. FARTHER DOWN THE RABBIT HOLE

In this postscript I mean to risk my credentials to being an economic amateur and ask some very fundamental questions which seem to be entirely taken for granted by people better trained and more experienced in economics than I am. I want to return to the intersection of simple living and economics and examine again the whole system we’ve made and whether it might be remade differently. I realize what an outlandish suggestion this is, but my only defense is that we live in outlandish times and such speculations may be justified.

It seems to me that we currently live with a hideous level of social and economic complexity and effort and suffering. We also support an enormous amount of financial parasitism, exploitation and speculation in pursuit of profit, which is to say the accumulation of money. All things related to money seem to dominate the consumer culture consciousness and I think it is the “money system” we need to address if we are truly to liberate ourselves into a simpler, freer way of life.

Money is a proxy for value. Price, which is a measure of the money being demanded for a good or service, is a quantitative expression of value. Today it’s common to hear talk of prices as “signals” that people use to assess the abundance or scarcity of goods and services, and hence to making decisions about production and consumption.

The question that this raises for me is why we need money? And why do we need prices for that matter? It seems that what human beings need is the production of necessary goods and services and their delivery where and when they are needed. To achieve this end, what we need is information about scarcity and abundance which can be used to control production and distribution. So far, money and prices have served this function in society, but they are prone to obvious abuses partly because of the reification of money and its tendency to be manipulated as

a thing which itself has value. This leads in turn to a myriad of “meta” activities having to do with money per se, entirely apart from its use as an information system.

What we need is a simple system that allows people to signal when they have a deficiency or sufficiency of any needed good or service. This signal then needs to be sent back into a production system that adjusts its activities accordingly. But there is no a priori reason why this signal system must use money or prices. All that is required is a way of placing an order for a needed item which today can be easily mediated by information technologies. The number and nature of orders received is a measure of demand for any given item and the magnitude of demand should substitute sufficiently for what is now reflected in prices.

Imagine then a society where every citizen by right of birth is entitled to sufficient means of material livelihood. All have access to the same menu of goods and services on offer at no monetary cost but subject to consumption limits. All are also obliged to work to help produce needed goods. Everyone “orders” what they need from a centralized production and distribution system and everyone contributes labour to the same system to produce what is needed. Information, not money, is what would make this system work, and it comes from the expressed needs of the population, not the hyper-stimulation of markets by advertising, planned obsolescence or other extraneous pressures. Consumption limits for any good or service would be determined partly by the ecological carrying capacity limit for that good—how much of it can be sustainably supplied by the earth—and also by equity considerations, namely, that every person has an equal entitlement to the good in question. The equity principle would be especially effective in helping to limit human population as the fewer mouths there are to feed, the better everyone eats, so to speak.

I don’t under-estimate the challenges that would be involved in establishing such a system. What I find very appealing about it, however, is the possibility that if such a system could be established it would essentially eliminate the need for wholesalers, the entire retail marketing sector, all financial services, banks, stock markets, nearly all legal services as the vast majority of legal work now surrounds matters of private property and disputes over money, all taxation, a vast reduction in the scale of government, a huge potential reduction in social and economic injustice and hence conflict. Since money has been eliminated from the system, all the machinations that now surround all the things we do with money would disappear. People would have to work honestly for their living, but that entire process would be far simpler, more secure, and probably less demanding of time and effort. Property crimes would be substantially reduced because differences in material wealth would be smaller in a society that prized equity and assured adequate means of livelihood to all its members. The stage would finally be set for a shift among human beings from obsessive anxiety over material security to discovering instead the realm of intrinsic rewards. We might also discover how to liberate ourselves from the grip of money as the single proxy for nearly everything else in life that makes for well-being. We could pursue instead the host of psychological, social and spiritual values which can also motivate human activity, express social admiration and recognize real contributions to the human experiment. Life would become simpler for everyone and mostly in ways that many people might embrace quite happily.

Lest this proposal sound completely utopian, I hasten to point out that such systems have thrived for centuries in monastic settings that practice a “community of goods.” In such communities, individuals take vows of “poverty” whereby they essentially surrender their right to personal property. In exchange, the community as a whole pledges to provide for that individual for the rest of his or her life. By relinquishing the claim to personal property, the monk nevertheless comes into possession of all the property shared by the community by virtue of his or her membership in it. While I’m not advocating that everyone adopt a monastic life—far from it!—I nevertheless find it instructive that this system of structuring our material relations with each other and with the natural world has persisted in some regions for several

thousands of years which is a far more impressive track record than can be claimed for capitalism. In any case, it is a real-world possibility for human beings.

Clearly, any major transition toward a culture of mindful sufficiency would have momentous economic implications, but not necessarily catastrophic or destructive ones. Any transformation of the economy would probably be gradual and preceded, or at least accompanied, by a much more general cultural change toward simpler living. Presumably, the economy would shift not abruptly as it does now in response to geopolitical crises, rampant greed, or catastrophic failure of one of these subsystems, but rather by evolving to fulfill the changing needs and desires of a more enlightened population.

Given the sustainability challenges that society faces, it is also reasonable to suppose that reducing the human population, preferably by choice rather than succumbing to biological necessity, would also be part of any program for a sustainable and civilized existence. The global demographic dynamics already in play which promise a large and aging population by 2050 portend major change in any case. A smaller global population with consumption expectations better aligned with Earth's actual carrying capacity is also essential to sustaining the human experiment. All of these factors will also have economic consequences.

While it is likely that a general shift to simpler living would affect every area of the economy in some way, the effects we might imagine are benign compared to what lays in wait for us if we continue to pursue the delusion that nine billion human beings can live as two billion lived for a little while on borrowed days of ancient sunlight in the late 20th century.

References:

- Alexander, C., 1977. *A Pattern Language: Towns, Buildings, Construction*. Oxford University Press, USA.
- Alexander, C., 1979. *The Timeless Way of Building*. Oxford University Press, USA.
- Alexander, Samuel, 2012. 'Living better on less? Toward an economics of sufficiency.' *The Simplicity Institute Report 12c*, Melbourne, Australia.
- Berry, Wendell, 1970. *A Continuous Harmony*. In: VandenBroeck, Goldian. 1996. *Less is More: An Anthology of Ancient and Modern Voices Raised in Praise of Simplicity*. Rochester, VT: Inner Traditions: 287.
- Berry, Wendell, 1987. 'Does Community Have Value?' In: Wendell Berry, *Home Economics*. North Point Press, Berkeley, CA: 179-192.
- Bernstein, Henry, 2000. 'Colonialism, capitalism, development.' In: Allen, Tim & Thomas, Alan. 2000. *Poverty and Development Into the 21st Century*. Oxford, UK: Oxford University Press: 241-270.
- Buckley, Chris and Spetalnick, Matt, 2011. 'Obama presses China's Hu on currency, rights.' Washington, DC.; Wed Jan 19, 2011 5:22pm EST. Accessed at <http://www.reuters.com/article/idUSTRE70H07Z20110119>
- Campbell, Colin J. and Laherrere, Jean H., 1998. 'The end of cheap oil.' *Scientific American*, March, 1998.
- Curtis, Adam, 2002. *Century of the Self*. BBC Documentary. Documentary deals with the conscious development of consumerism from the theories of Sigmund Freud and their application in the development of public relations by Edward Bernays and propaganda by the Nazis.
- Daly, Herman, 1995. *The steady-state economy: Alternative to growthmania*. In: *Steady State Economics*, (2nd Edition). Island Press, Washington, DC: 180-194.
- David Suzuki Foundation. 'Aquaculture.' Accessed on: <http://www.davidsuzuki.org/oceans/aquaculture/>

- Elgin, Duane, 1981. *Voluntary Simplicity: Toward a Way of Life Which is Outwardly Simple, Inwardly Rich*. William Morrow & Co., Inc., New York, N.Y.
- Federal Reserve Bank of Boston - Bureau of Labor Statistics, 2007. 'Nonagricultural Employment By Sector and Industry In Massachusetts And The United States For 2007.' Accessed from: http://www.mass.gov/Aosc/docs/reports_audits/CAFR/2007/page_174.pdf
- Globe and Mail. Report on Business, Toronto, ON: 31 May 2008.
- Johnston, Timothy C. & Burton, Jay B., 2002. 'Voluntary Simplicity: Popular Definitions And Major Themes.' *Academy of Marketing Studies Journal*, Apr. 2002.
- McGrew, Anthony, 2000. 'Sustainable globalization? The global politics of development and exclusion in the new world order.' In Allen, Tim & Thomas, Alan. 2000. *Poverty and Development Into the 21st Century*. Oxford University Press, Oxford, UK: 345-364.
- Meadows, Donella H., 1996. 'Envisioning a sustainable world.' In: eds. Robert Costanza, Olman Segura & Juan Martinez-Alier. *Getting Down to Earth: Practical Applications of Ecological Economics*. Island Press, Washington, DC.
- Meadows, Donella H., 2004. 'Urban Growth Means Lower Taxes—and Other Myths.' Sustainability Institute, Hartland VT.
- Mies, Maria and Bennholdt-Thomsen, Veronika, 1999. *The Subsistence Perspective: Beyond the Globalized Economy*. ZED Books, London, UK.
- Pierce, Linda Breen, 2000. *Choosing Simplicity: Real People Finding Peace and Fulfillment in a Complex World*. Gallagher Press, Carmel, CA.
- Pimentel, David; Hurd, L.E.; Bellotti, A. C.; Forster, M.J.; Oka, I.N.; Sholes, O.D.; Whitman, R. J., 1973. 'Food Production and the Energy Crisis.' *Science*, 2 November 1973.
- Schumacher, E. F., 1977. *A Guide for the Perplexed*. Harper & Row, New York, NY, 140.
- Wikipedia, 2008. 'Economy of Canada.' Accessed 9 June 2008. www.wikipedia.com
- Winnipeg Free Press, October 24, 1998. (Associated Press wire story).
- Wright, Ronald, 2004. *A Short History of Progress*. Anansi Press, Toronto, Ontario, Canada.
- Young, William; Hwang, Kumju; McDonald, Seonaidh; Oates, Caroline, 2004. 'Understanding individual decision-making for sustainable consumption.' <http://72.14.205.104/search?q=cache:8-UNTLU01J0J:homepages.see.leeds.ac.uk/~leckh/leeds04/2.5Young%2520et%2520al.pdf+public+attitudes+voluntary+simplicity&hl=en&ct=clnk&cd=27&gl=ca&client=firefox-a>