

A photograph of a person wearing a purple long-sleeved shirt, seen from the side, tending to a tray of small green seedlings in a brown peat tray. The background is a blurred outdoor setting with greenery and a blue sky. The text is overlaid on the upper half of the image.

Cultivating Change:

Seedlings of Economic Alternatives

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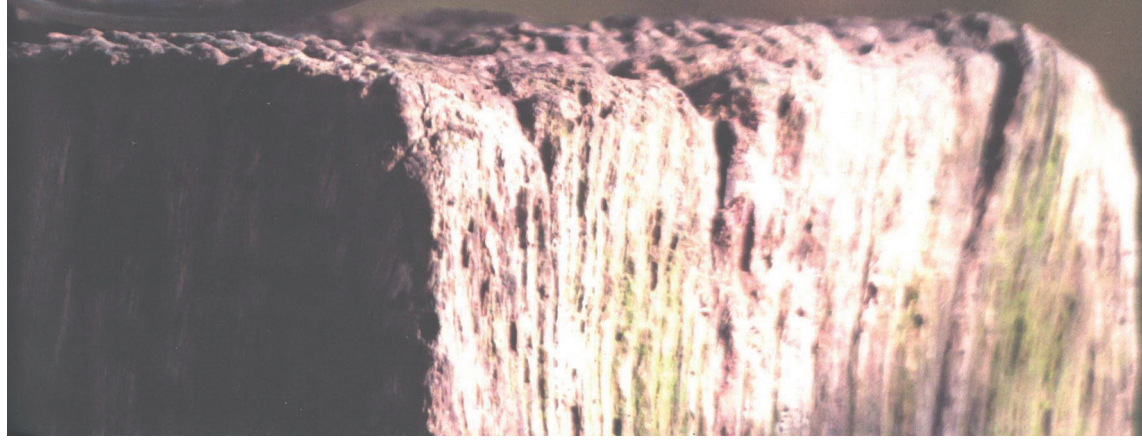
A Better World is Possible

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In this article, Jakobsen and Storsletten emphasise the distinction between green economic ideology and utopian ecological economics, and discuss how we can implement changes in economic theory and practice in order to meet the interconnected challenges of our time.





INTRODUCTION

WE ARE LIVING IN TIMES littered with major contradictions. It has been pointed out that while modern society creates utility and welfare, it also brings about negative consequences that impact those other than the ones taking the lion's share of the benefits.¹ On the positive side, general welfare is higher than ever in many rich countries. Technological developments have made life easier and the development of the internet has contributed to increased communication between people all over the world. On the negative side, the dramatic anthropogenic climate change is leading to an imbalance in both ecosystems and social systems, while the gap between rich and poor has increased both within and between countries.

In this article we discuss how we can implement changes in economic theory and practice in order to handle the “interconnected global crises of our own making—from financial scandals, human rights violations, environmental side effects to eco-system and community breakdown, the extinction of many species and social inequality.”²

To elaborate on these questions, we have structured the article in the following way: firstly, we describe and discuss the extent to which the major problems of our time are the result of the actions of corrupt individuals or the result of an inadequate, corrupt system - or maybe a combination of both. To delve into these topics, we refer to Merton's discussion of unanticipated consequences.³ Secondly, we argue that another system is possible by referring to the utopian research tradition concretized through the current contributions from Levitas where she distinguishes between ideology and utopia.⁴ Thirdly, ideology and utopia are exemplified by a brief description of mechanistic and organic worldviews. Fourthly,

we describe the contributions from Galtung,⁵ Næss and Rothenberg⁶ where they differentiate between negative and positive peace and shallow and deep ecology, respectively. Thereafter, we synthesize green and ecological economics from the preceding discussion. Finally, we set out a number of dimensions relevant for decision-making and how to move away from the green economic ideology in favour of utopian ecological economics. In the final part of the article we discuss some core principles in ecological economics and give examples of how ecological economics can be implemented in practice.

UNINTENDED CONSEQUENCES

Merton, the distinguished sociologist, warned against unanticipated consequences of purposive social action.⁷ Unanticipated consequences are the unintended consequences resulting from the introduction of new technologies, new forms of organization or new systems in a broad sense. Many of the challenges we face today regarding the environment, society or economy, are due to unintended consequences of intentional human behaviour embedded in the ideology of the modern society.

There are many explanations as to why negative consequences occur; short-term perspectives and limited cognitive capacity are relevant explanations. But it could also be a discrepancy in worldviews. Merton drew a distinction between negative consequences affecting the individual decision maker himself and consequences that affect other persons (micro), organizations (meso) or society (macro).⁸ Consequences far away in space and time are most problematic.

With reference to Merton's argument, we agree that many of the challenges we face-locally, nationally and globally- are the results of

fundamental systemic failures. Today many of these problems are so complex and integrated that it seems impossible to come up with solutions from the confines of a mechanistic worldview. According to Rees, this failure is so fundamental that, if it had been a scientific experiment, scientists would have disproved and dismissed the mechanistic neo-classical economic paradigm and would have sought for alternatives more consistent with reality.⁸ In other words, it is not (necessarily) greedy people who are initiating the conflict between humans and between humans and nature. Maslow once claimed that even good people behave badly in a bad system.¹⁰ Instead of trying to solve problems by transforming reality to fit the model, it is more appropriate to change the model to fit in with reality.

Although a great majority undoubtedly agree that something must be done straightaway if we are to prevent some alarming catastrophes, it has proved difficult indeed to implement any action which will have any significant effect. We argue, in accordance with Ricoeur, that the energy needed to implement the necessary change process is developed in the tension field between ideology and utopia:¹¹ "Utopia is the driving force in the change processes in human societies."¹²

IDEOLOGY AND UTOPIA

Ideology, which includes standards and values (as defined by the dominant social groups) are important for creating identity, both individually and collectively. The dominant ideology is protected by legitimate authorities. If any development takes place within the framework of the established ideology, it is only a question of mere marginal adjustments to moderate some of the negative consequences of the established system. The objective for the decision makers is to make adjustments to ensure the position of the prevailing ideology.

"Instead of trying to solve problems by transforming reality to fit the model, it is more appropriate to change the model to fit in with reality"

“It is problematic to develop and implement deep change processes in the absence of visions or utopias.”



Photo credit: Sarah Shrestha-Howlett

Much energy is used up preventing alteration and limiting development.

Utopia (defined as "no place") describes an alternative point of view that makes it possible to evaluate the current society from outside. Utopias are geared towards the future and indicate the direction of change. Utopias will never be realized; by their very nature we can only approach them or work towards their direction. Since utopias always challenge the establishment and the authorities, they make a contribution to the tension which facilitates change. The assumption is that society is unfinished, dynamic, and always in a process of change. Ricoeur concludes; "A society without utopia (would) be dead, because it would no longer have any project, any prospective goals."¹³

Implementation of fundamental changes presupposes the existence of a potent tension between the existing ideology (actuality) and the vision of a utopian society (potentiality). According to Ricoeur, "the intention of utopia is to change - to shatter - the presented order."¹⁴ It is problematic to develop and implement deep change processes in the absence of visions or utopias.

Levitas gives similar arguments for the necessity of utopian research.¹⁵ Utopian research models are based on the idea that the differences between the dominant ideology, defined by referring to what "is" or "actuality," and descriptions of utopia, as what "could be" or "potentiality," are necessary if we are to create change.

As an illustration of the differences between ideology and utopia we will take a closer look at shift in worldviews, Galtung's distinction between "negative" and "positive" peace¹⁶ and the distinction Næss and Rotheberg drew

between "shallow" and "deep" ecology.¹⁷ Based on these examples we set out the distinction between green and ecological economics as, respectively, ideology and utopia.

FROM MECHANICAL TO ORGANIC WORLDVIEW

To illustrate the difference between ideology and utopia, we look at two ontological positions, the mechanistic and organic worldviews. We connect unintended consequences of economic action to the use of outdated maps that do not match reality. In other words, when we put forward mechanistic solutions to solve organic problems, unintended consequences could well occur. Although this inconsistency has been described and discussed by philosophers, sociologists and (some) economists for several decades, the mechanistic approach is still dominant within economics.

As an example "the green shift" has been launched as a measure for dealing with serious environmental and social challenges. Green products, green growth, and green economy are all concepts used (and misused) on an expanding number of occasions. It seems like everything could be environmentally friendly and socially responsible if we chose the right concepts. Instead of going into the problems there is a tendency to hide the problems behind green formulations, and this permits everything to go on as usual. The focus is on reducing symptoms rather than on criticizing the mechanistic system. According to Palazzo and Scherer we need more than a coat of green paint.¹⁸ To cope with the many interrelated problems, we need to have an organic understanding of reality.

The mechanistic worldview has brought us into a state characterized by organized irresponsibility, where we individually and

collectively have contributed to creating problems that have been proved very difficult to understand and to solve. One part of the problem is that from a mechanistic perspective the focus is on objects, not on relations. The result of not being aware of society as a set of integrated networks is that we are about to lose our common cultural context for understanding and meaning.

NEGATIVE AND POSITIVE PEACE

Galtung believes that negative and positive peace are independent phenomena and that the one is possible without the other being present. Negative peace refers to the absence of symptoms of war, or more generally, that something undesirable is reduced or has ceased to exist. Negative peace achieved through various means, among others, aggression and violence, leads to reduction of active warfare without eliminating the causes behind war.

According to Galtung the absence of violence is not a sufficient condition to develop a peaceful society.¹⁹ If the structures that lead to conflict and violence are still present, then war is always a possibility. Within a negative peace the aggressive measures that reduce the symptoms of violence are given priority. When peace is ensured by the use of force then the motives for war are still there, while positive peace emphasizes structural changes that contribute to the harmonious interaction between economy, individuals, society and nature.

Galtung focuses on structural explanations for peace.²⁰ Positive peace is the presence of structural solutions that promote equality and justice, harmony and well-being. Positive peace presupposes the existence of integrative social structures, even in periods without war or threat of war.²¹

Positive peace is based on an organic understanding of reality that lays the

foundation for social models that promote networked cooperation rooted in egalitarian distribution of power and resources. According to Galtung, positive peace is the best protection against violence because it is rooted in social practice in which injustice and oppression are minimized or eliminated.

SHALLOW AND DEEP ECOLOGY

Næss and Rothenberg distinguish between shallow and deep ecology (ecosophy).²² Within shallow ecology man exists outside and above nature. Everything in nature is reduced to instrumental values referring to human utility. Nature is a financial resource and environmental problems are solved by bringing nature into the economy. When we shrink nature to a means for human purposes, it loses its intrinsic value and we squander our natural resources.

Næss and Rotheberg claim that it is a fallacy to perceive the world, in accordance with shallow ecology, as something that consists of discrete and separate entities with no interconnections.²³ Shallow ecology accepts economic growth as the dominant assumption without any critical questioning. To expand quality of life we have to move away from our economic, technological, industrial control-systems and materialistic lifestyle towards a lifestyle in accordance with the principles of Deep Ecology.

Deep Ecology argues that everything in nature has value in itself. Deep Ecology is based on a holistic worldview, pointing out that we cannot consider the elements of nature in isolation. Everything is interconnected and at the same time, everything is changing continuously. Deep Ecology replaces the objective of material growth with sustainable qualitative development. Deep Ecology is looking worldwide for the fundamental causes

of ecological problems in economic and social structures.

GREEN AND ECOLOGICAL ECONOMICS

Inspired by previous theoretical discussions about mechanistic and organic worldviews, with references to Galtung and Næss, we draw a distinction between green economy and ecological economics and we connect the positions to ideology and utopia, respectively. On the one hand we assert that green economy emphasises effective measures to reduce negative symptoms within the dominant ideology by means of the market economic toolbox. The goal is to reduce the damaging effects of established economic theory and practice and do it without making any fundamental structural changes. Because the methods do not depart from the established ideology we can see that green economy helps to maintain business as usual.

Ecological economics opens up new and exciting perspectives offers an interesting alternative to the dominant economic system. Ecological economics is not focused primarily on finding new answers to the old questions; instead, new questions are asked so we can uncover new perspectives and new solutions.

The term ecological economics refers to deep systemic change, so deep that it defines economics as subordinate to ecology. It is rooted in the organic understanding of reality, which is necessary to adapt the economy to the limits of nature and its principles.

The idea that research could in any way provide knowledge that gives man power over nature has to be replaced by a new approach, an approach in which the goal is to develop a knowledge that teaches us how we can best work with nature and fulfil human needs and improve quality of life.

A BIRTH CRISIS

According to Lindner, we live in a time of great contrasts.²⁴ While the problems are becoming more dramatic, there is at the same time a growing attention towards more realistic models that open up new solutions. Scharmer and Kaufer believes that crises linked to "Finance, food, water shortage, resource scarcity, climate chaos, mass migration, terrorism, financial oligarchies" show that we have entered a time of dramatic change where the possibility of "a profound personal, societal, and global renewal" have never been more real.²⁵

"We have entered a time of dramatic change where the possibility of 'a profound personal, societal, and global renewal' have never been more real"

Capra and Luici points out that there are solutions to the great challenges of our time and that some of them are very simple. But they require; "a radical shift in our perceptions, our thinking, our values."²⁶ They find many clear indications that the fundamental change is about to happen. It is not just about changing the mindset; it is also increasingly about deep structural changes.

The current civilization based as it is on mechanism, characterised by ego-centrism, competition, maximum material consumption and growth, is about to die out, and a future rooted in organic thinking, characterised by eco-centrism, humanity and living visions of who we are and who we want to be, individually and collectively (as society) is developing.

The implication of this reasoning is that economic activity is not an end in itself but a means to strengthen the life processes in nature and society. "The only valid purpose of economy is to serve life processes in all kinds of social and ecological systems."²⁷ If we are to strengthen life processes then reputation building, 'greenwashing' and green economy must all give way to an economy based on ecological knowledge and humanistic values.

DIMENSIONS RELEVANT FOR CONCRETE DECISIONS IN THE TURNING POINT

To understand the complexity of the change process from green towards ecological economics it is necessary to have an in-depth understanding of the historical development (ideology) and clear visions (utopia) directed far into the future. The realism of the utopian narratives is connected to individual and collective experience. It is neither desirable nor possible to force solutions that have no basis in human intuition, feelings and thoughts.

To generate the necessary energy, it is of the greatest importance to develop a realistic alternative to the existing economy, an alternative that is divergent enough to create tension. In other words, what we need today is focus on utopian narratives which contrast with the dominant ideology. In the previous paragraphs we have described some of the most significant dimensions of tension. In table 1 below we sum up some of these dimensions and argue that the decision makers in every decision made should evaluate the extent to which the different alternatives initiate system change or fortify the present system.

"It is neither desirable nor possible to force solutions that have no basis in human intuition, feelings and thoughts."

Table 1. The tension between green economy and ecological economics

Green economy (ideology)		Ecological economics (utopia)
Atomistic	↔	Network
Linear value chains	↔	Circular value chains
Quantitative growth	↔	Qualitative development
Competition	↔	Cooperation
Monetary values	↔	Value Diversity
Economic man	↔	Ecological man
Top-down	↔	Bottom-up

This list of relevant criteria is neither final nor absolute. Which criteria are relevant in different decisions depends on a number of situation-specific factors. Nevertheless, the criteria are relevant as examples indicating the tension between the two opposites. By using such a decision-heuristics, it is possible to fulfill the revolutionary goals by evolutionary means. The aim is to energize the process that strengthens the vitality of self-contained and autonomous communities by establishing collaborative networking venues for dialogue, creativity, learning and development of common solutions. According to Aristotle, harmonious moderation within nature's limits is the recipe for the good life.

SOME CHARACTERISTICS OF THE UTOPIAN ECOLOGICAL ECONOMIC SOCIETY

In this paragraph we describe some of the most relevant characteristics of economy and society anchored in organic, utopian ecological economics. First we describe some key dimensions, then we give some practical examples on what they could look like in practice.

NETWORKS

Firstly, the assumption made by the dominating economic paradigm that the market is made up of autonomous actors is replaced by a view of the market as an integrated network of interdependent actors. The focus shifts away from objects toward relationships. Since the individual has to respect broad public values, a transition is required away from the egocentric economic man towards the "I-We" understanding.²⁸ Although local production for local markets is the ideal, it is of course necessary to open up cooperation through international networks as well.

CIRCULAR VALUE CHAINS

Secondly, linear economic processes have to be substituted for circular chains where production, distribution, consumption and recycling are inspired by ecosystem circuit solutions. It is therefore important to facilitate the development of relationships that link all functions in the economic cycle together in decentralized integrated networks.²⁹

QUALITATIVE DEVELOPMENT

Thirdly, quantitative growth is replaced by qualitative development. Ecological economics, inspired by natural growth curves, (increasing rapidly first then stabilizing), makes it possible to initiate the continuous development of quality of life without increasing the consumption of natural resources. The focus on qualitative development will mean major changes in business; many companies and whole industries will disappear, and new ones, more in line with ecological principles and humanist values, will take over.

COOPERATION

Fourthly, market mechanisms based on competition are replaced by a partnership approach founded on dialogue and cooperation.³⁰ Free competition on the world market means that small producers in poor countries are the losers compared to powerful multinational corporations. Poor countries are forced to accept free trade in order to gain entry to the markets and the result is that the big companies gain increasingly larger proportions of the global markets. The consequence is that poor countries have to receive aid for the system to work. This results in a vicious cycle where quality of life deteriorates both among those who have too little, and among those who have too high consumption. Today the resources are distributed in such a way that the gap between rich and poor constantly increases.

VALUE DIVERSITY

A fifth point is that the transition to Ecological economics indicates that businesses have to include ecological and social values in the decision making process, in addition to economic profitability. Humans are part of the ecosystem and the ecosystem is a part of humans. By including social values business

helps to create (optimal) conditions for quality of life. This perspective is often referred to as "the triple bottom line." As it is not possible to transform the different values into a monetary scale, policymakers should be able to handle the three different values simultaneously.

ECOLOGICAL MAN

A sixth point is that any transition towards ecological economics has significant implications for the definition of the economic actor. Instead of focusing solely on increasing the consumption (the economic man), the economic actors put more weight on natural and social implications of production processes as well as products (the ecological man). A practical consequence is that market communication must include information about the working conditions for the workers in the entire production process and the extent to which the production process meets environmental requirements, requirements for animal welfare, and health implications for all involved, the consumer included.

BOTTOM-UP

Point number seven is related to a turnaround in the direction from where the initiative for change comes. Instead of focusing on top-down solutions based on the initiative of politicians and business leaders, the focus within ecological economics is based on bottom-up initiatives. The change occurs when those who stand in the practical reality at the local level create solutions based on direct experience. It is of course necessary in top-down initiated rules and monitoring, for example through national authorities, to have the United Nations and other global organizations.

CONCLUSION

In this article, we argue that the solution to the major challenges facing modern society

requires fundamental changes in economic theory and practice. We argue that without energizing tension between ideology and utopia and the existence of some kind of shock waves, the deep change process will not accelerate. The prerequisite is, in other words, more focus on utopian narratives and a development in consciousness that will make us able to be aware of the bundle of shocks going on worldwide today. To stop the change process from taking the wrong direction it is important that we develop visions (utopias) that are clear enough to serve as beacons.

Even if both green economy and ecological economics are based on a serious intention to solve the serious environmental and social problems escalating in the world today we argue that the major challenges in economy, environment and society require solutions that exceed the existing ideology. In addition, we have to go far beyond the traditional disciplinary boundaries. To solve the interconnected complex of challenges we need solutions crossing traditional disciplinary boundaries.



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