

A Living Earth Economy for an Ecological Civilization

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I'm thrilled to be a part of this International Week gathering seeking a path to a Better World. My topic tonight, "A living Earth Economy for an Ecological Civilization," is intended to provide a deep frame for this conversation and expose important implications for institutions of higher learning.

During the past century, we humans have become a truly global species with both the ability and the necessity to choose our common future as a conscious collective choice. Advances in biological and ecological sciences and the global communications network give us the means. Growth in our human numbers and the destructive power of our weapons of mass destruction of one another and nature creates the necessity.

Globally we face three interlinked crises that together frame the magnitude of the challenge at hand.

1. First and most fundamental we face a growing global **environmental crisis**. Elements of the crisis include climate change, loss of fertile soil, diminishing supplies of clean freshwater, disappearing forests, and collapsing fisheries. These failures create growing human displacement and hardship that drives social breakdown. Per the Global Footprint Network, we humans are consuming globally at a rate 1.6 times what Earth can sustain. Everything above 1.0 comes at the cost of diminishing Earth's ability to sustain life—including human life.
2. We face a growing global **social crisis** of extreme and growing inequality. In 2010, the combined wealth of the world's richest 388 billionaires equaled the combined wealth of the poorest half of humanity—3.5 billion people. Now, just 7 years later, it takes the combined wealth of only the 8 richest billionaires to equal the combined wealth of the world's poorest 3.6 billion people. The combination of inequality and environmental displacement undermines human well-being, institutional legitimacy, and the social fabric of families and communities. The violence driving massive numbers of refugees from the Middle East is a direct consequence.
3. We face a **governance crisis**, as dramatically demonstrated by the current assault on the integrity of our democratic institutions in my country just to the South of the Canadian border.

These three crises are interlinked, self-imposed, potentially terminal for our species, and a direct consequence of the growing power of global corporations that value life only for its market price and empower those humans least likely to act in the common interest.

We the people, allow this travesty to play out because we live in a cultural trance induced by cultural narratives that lead us to accept beliefs and values at odds with reality and contrary to our well-being.

It seems we have forgotten that we humans are living beings. Earth is our mother—the source of our birth and nurture.

We will not get out of our current mess by tinkering at the margins of a failed system to make it slightly less destructive. We must build from the bottom up the institutions of a new system—a new civilization—that aligns with a deepened understanding of our human nature, our possibilities, and our relation to creation. If that sounds like a serious challenge, you hear correctly.

The task at hand is to navigate a civilizational shift from the imperial civilization of the past 5,000 years, to the ecological civilization on which our future depends. It will require drawing from all the sources of human understanding, including the ancient wisdom of indigenous peoples, the great religious prophets, and the findings of contemporary science.

That transformational transition will be built on the foundation of a 2nd Enlightenment already taking form. The Enlightenment of the 18th Century brought us elemental democracy and a recognition that there is order in Creation. It unleashed a period of extraordinary advance in technology and social organization. It also sowed the seeds of the great environmental and social unraveling now playing out.

Intellectually, the 21st Century Enlightenment will be grounded in a recognition that the intelligence and consciousness denied by the 18th Century Enlightenment—are in fact the true the ground of creation. Metaphysically, the 2nd Enlightenment will feature an emerging synthesis of our understanding of the material and spiritual dimensions of reality. Politically it will recognize that we have only begun the journey to a true democracy that mimics the cooperative patterns of self-organization that are a defining characteristic of healthy living systems.

There is no blueprint or easy set of prescriptions for the turning to an Ecological Civilization. I can, and will, however, offer some fundamental principles and guidelines—starting with two foundational design priorities: We must value life over money. And the relationship of community over the isolated individual.

I want to introduce you to the first of these principles—life over money—by sharing a piece of the story of my personal intellectual journey. From there I will take you on a deep dive into some fundamental ideas that address the significance of our human relationships with one another, the rest of nature, and the unfolding of creation.

A Personal Wakeup Call

I devoted some thirty years of my professional life to international development, including twenty-one years living and working in Africa, Latin America, and Asia. I was on a mission to end poverty by bringing to the world the secrets of what I understood to be U.S. economic success. In the naivete of my youth, I understood the United States to be a middle-class nation with freedom and opportunity for all.

To my horror, I realized over time, that the actual consequence of the policies we were advancing abroad, was quite different from the advertised intention.

Yes, I witnessed growth in GDP and expansion of the middle class, while a few people amassed huge fortunes.

I also, however, observed that as GDP grew, life for the majority became less secure and more desperate. Slums spread. Families and communities disintegrated. Once beautiful cultures, survived mainly as tourist attractions. Rivers died. Once vibrant coastal corals and verdant hillsides became barren wastelands.

Eventually, I realized that in the name of helping the poor, rich countries were loaning poor countries foreign currency to invest in growing their economies. Because foreign currency is only good for buying things from abroad, this created dependence on foreign goods and technology purchased with loans that could be repaid only by selling their national labor and assets to foreigners.

When payment came due, the International Monetary Fund and World Bank stepped in like mafia debt collectors with baseball bats ready to break legs. They told indebted countries they must restructure their economies, not to better meet the needs of their own people, but rather to repay the foreign debt. They were told: Reduce spending on health and education for your people. Sell your land and natural resources to foreign corporations. Set up duty free zones with cheap nonunionized labor with no rights or benefits to produce goods for export to foreign consumers.

Debt, dependence, and deprivation for the many. Outsized profits for the few.

You may recognize a familiar pattern. It was something of a preview of the dynamic that now plays out in varied forms here in Canada, the United States, in Europe, and much of the world.

Eventually, I also became aware of a *related* dynamic. Before the introduction of Western economic development, most people economists counted as living in absolute poverty—meaning they had no money—were members of a community self-help subsistence economy that lived with and from the land with little need for money. Often, they had rich cultural lives, were well-fed, had secure shelter, and had no concept of being poor.

In the name of development and the Green Revolution, subsistence farmers were introduced to chemical agriculture, which required them to buy inputs from corporations on credit secured by the land they farmed. One bad crop and they lost their land to a bigger farmer or a corporation.

Corporations and rich individuals ended up controlling the lands and waters on which the people had depended. The peoples' only choice was then to sell their labor to some wealthy individual or corporation for whatever pittance was offered.

World Bank and IMF economists pointed to this income and bragged about development success. "These people now have a \$1.00 or \$1.25 a day. We have lifted them out of poverty." Never mind that most of them had far better lives with a means of self-help subsistence and no income.

It turns out that much of what economists celebrate as GDP growth, is simply the monetization of what used to be relationships of family and community. The process continues as we turn from caring for our own homes and children to taking jobs to get the money to hire home and child care services—often with a corporation getting a cut of each transaction.

Gradually, we give up control of our own lives to the corporations that control both the means of production and the creation and allocation of money. Each time we do something

for ourselves or engage in a mutual exchange with a neighbor—we take back control a bit of our lives.

In Search of the Sacred

Why do we tolerate a system that strips away the relationships that define our humanity and reduce us to servitude to money? It traces to a fundamental aspect of our human nature. We organize as societies around shared cultural stories.

Political demagogues have long recognized that those who control the framing stories of society's culture, control its people.

During the 20th century, corporate PR and advertising specialists became masters of the arts of cultural manipulation to create an individualistic culture of greed and profligate material consumption that serves well the short-term interests of the financial oligarchy. Once immersed in this culture, we lose sight of that on which our true health and happiness depends.

Of our many influential cultural stories, the most important are those that define what we hold to be sacred [entitled to reverence or respect]. When we get the sacred wrong, we can become entangled in a web of self-destructive, even suicidal, deceptions.

Separated from nature and one another, we of modern society have lost our sense of what is truly sacred. Losing sight of the truly sacred, we fill the breach with a familiar story constantly affirmed in the public mind by pundits and economists schooled in what Nobel Laureate economist Joseph Stiglitz has called a faith-based religion. I call it our Sacred Money and Markets story.

Time is money. Money is wealth. Those who make money are society's wealth creators. Poverty is a sign of laziness and personal failure. Consumption is the path to happiness. Individualistic greed and competition are human virtues that the invisible hand of the free market directs to ends that create opportunity and prosperity for all.

Those who would deprive society's wealth creators of the fruits of their labor engage in envy—a mortal sin. Maximizing financial gain is a moral and legal duty of business—indeed of every individual. Earth is a rock in space useful as a source of free resources and a cheap and convenient waste dump.

Every element of this story is false or misleading. Yet over the past few decades this has become the story by which we define the purpose, meaning, and direction of society—and of our individual lives and relationships. In its thrall, we embrace money as a sacred object of veneration and the measure of our human worth and accomplishment, banks as our temples worship, consumption as our solace, economists as our moral authorities, and free [unregulated] markets as a superhuman controlling power that meets our needs and rewards the worthy.

The Sacred Money *story* frames the moral and intellectual foundation of the Sacred Money and Markets *economics* taught as an objective values free science to business and economics students in virtually all the world's colleges and universities.

False on every point, it perverts our sense of values and leads to the concentration of decision-making power in the hands of a financial oligarchy. It is neither a true science nor a

true religion. It is an immoral, anti-democratic political ideology at odds both with the moral teachings of the world's great religions and the findings of contemporary science.

The immoral and intellectually false premises of the Sacred Money and Markets story sets us up to measure economic performance by financial metrics like GDP and stock price indices like the Dow Jones Average.

GDP is in substantial measure an indicator of the rate at which we are monetizing relationships previously based on mutual caring. This process destroys the natural bonds of family and community, while increasing our dependence on obtaining money controlled by global financial institutions to purchase goods and services offered for sale by global corporations that serve global finance.

With a similar bias in favor of financial interests, stock price indices are primarily an indicator of the rate at which the inflation of financial assets is increasing the power of those who own them relative to the power of those who do not.

Contrast the fabrications of the Sacred Money and Markets story with truths of the following reality based Sacred Life and Living Earth story. Imagine how different our world would be if this were the foundational story by which we structure and manage the economy.

Time is life. Life is the most precious of the many forms of wealth. Money is just a number useful as a medium of exchange in well-regulated markets. We humans are living beings born of and nurtured by a living Earth itself born of a living universe evolving toward ever-greater complexity, beauty, awareness, and possibility.

Life exists only in community. We humans survive and prosper only as contributing members a living Earth community. It is our human nature to care and to share. Making time for life—to experience and serve—is the path to happiness and well-being. Equality, community, and connection to nature are essential foundations of human health and happiness.

As our sacred Earth mother loves and cares for us, we must love and care for her. The institutions of business, government, and civil society exist for only one purpose—to serve as vehicles through which we cultivate and express our true nature and create our means of living in service to the Earth Community to which we all belong.

The Christian biblical verse Matthew 6:24 says it well: “No one can serve two masters. Either you will hate the one and love the other, or you will be devoted to the one and despise the other. You cannot serve both God and money.

If you visualize God as the spirit of life, it is a defining spiritual lesson for our time. Will we organize as a global society in the service of life? Or of money?

Three Defining Creation Stories

Now let me take you on a deeper dive into our story problem. Three contrasting creation stories have established currency in Western culture: the Distant Patriarch, the Grand Machine, and the Mystical Unity. Each conveys a very different understanding of relationships, agency, and meaning.

1. The **Distant Patriarch** story is most commonly associated with the institutions of Judaism, Christianity, and Islam. By the reckoning of this story,

My most important relationship is to a distant God who is the source of all agency and meaning. All that is, is by his will. My defining task is to obey His commandments to win his favor and thereby a favored place by his side in the afterlife.

We know who are God's most favored, as he has granted them the wealth and power to rule over us. It is not our place to challenge or change what he has willed. We should be grateful for the bounty of nature he has gifted us to use as we wish.

2. The **Grand Machine** story comes to us as the standard story of Newtonian physics and classical evolutionary biology.

By its reckoning, the universe is best understood as a giant clock works winding down to a heat death as the energy of the tension in its spring is exhausted.

Life is merely an accidental and meaningless outcome of material complexity. Only the material is real. Consciousness and free will, or agency, are illusions.

I am alone in a mechanistic cosmos devoid of agency and possessed of no meaning or purpose. Wow, this is depressing. I think I'll go shopping to lift my spirits.

3. *The Mystical Unity* story, most commonly associated with Buddhism, comes to us from the world's spiritual traditions.

In its classic expression, the only reality is spirit. What we experience as material reality is an illusion generated by the ego, which is the cause of suffering. I find peace by shedding my ego through meditation to become one with the timeless eternal One.

This readily leads to a turning away from the manifest world and the opportunities it provides to explore and actualize the potentials of our humanity through creativity and service.

Though each of these stories is dated and incomplete in itself, it makes a distinctive contribution to a larger and currently emergent creation story consistent with the fullness of human knowledge and rich with meaning.

The Distant Patriarch story recognizes intention in creation. The Grand Machine story acknowledges order in creation. The Mystical Unity story acknowledges spiritual consciousness and unity in creation.

Living Universe

Each contributes to an emerging Living Universe story that draws from all the sources of human knowledge and understanding—including our inner awareness, indigenous wisdom, the teachings of the mystics, the findings of science, and daily experience to tell the story of an epic journey that can inspire and guide our way to an Ecological Civilization.

The essence of the Living Universe story has long been known to indigenous cultures, suggesting it lives in the human heart. To bring it to the fore of public consciousness as our shared story, we need only affirm what most people already know—and what science now confirms.

According to science, the universe was born some 13.8 billion years ago, when a giant energy cloud burst forth in a blinding flash of quantum energy particles that formed into complex atoms that formed into complex molecules that joined with the passing of time to form stars and galaxies that gave birth to planets—one of which gave birth to carbon based life.

Evolutionary biologists tell us that some 3.6 billion years ago, the first living organisms appeared on Earth. As their numbers, diversity, and complexity increased, they organized themselves into a planetary-scale living system comprised of the trillions of trillions of individual choice-making living organisms that to this day work together through highly complex relationships of exchange to optimize the capture, organization, and sharing of energy, water, and nutrients to bring Sacred Earth to life. Acting with no discernible source of central direction, they continuously renew Earth's soils, rivers, aquifers, fisheries, forests, and grasslands while maintaining global climatic balance and the composition of Earth's atmosphere to meet the requirements of Earth's widely varied life forms.

All the while, constantly experimenting, testing, and learning—as if with conscious intention and foresight—this living system—a living superorganism in its own right—evolved toward ever-greater complexity, beauty, awareness and creative potential.

The idea that this miracle is solely the outcome of a combination of purposeless mechanics and chance—to this day the public premise of science—defies logic, common sense, and the foundational principles of Newtonian mechanics.

In the earliest stage of this grand evolutionary journey, Earth's living organisms worked together with Earth's geological processes to filter excess carbon and a vast variety of toxins from Earth's air, waters, and soils and sequester them deep underground. In so doing, this grand alliance of seemingly primitive species, created the environmental conditions suited to the emergence of a highly-advanced species with an extraordinary capacity for conscious self-reflective choice. We call ourselves, "human."

So how have we humans chosen to use the precious gift of our unique capacity for self-reflective choice? We dedicate our best minds and most advanced technologies to the extraction and release of these sequestered carbons and toxins back into Earth's atmosphere, waters, and soils in a foolhardy effort to dominate, suppress, and control the natural processes of a living Earth that make our lives possible.

Our current life destructive, climate disruptive, and hugely profitable expansion of tar sands oil extraction, deep-sea oil drilling, hydraulic fracture natural gas extraction, and mountaintop-coal removal is only a particularly visible current example of this ungrateful insanity.

An economic system based on the premise that money is more valuable than life regards this extraction as essential to jobs, profits, and prosperity. We treat the related economic, social, environmental, and governance devastation as simply regrettable collateral damage. Can we truly presume to be an intelligent species?

If we step back and take in the bigger picture—and apply our native intelligence—we see an economy structured and managed as if it were our human purpose to occupy Earth as alien invaders intent on disrupting Earth's climate, poisoning its air and water, destroying the natural fertility of its soils, and eliminating all of nature's species other than those we choose to serve on our dinner table.

To save Earth and ourselves from ourselves, we must mobilize every resource at our command—including every intellectual resource—to transition from an imperial civilization of Earth invaders to an Ecological Civilization of Earth protectors. It requires a fundamental rethinking of our foundational stories by the institutions of academia and religion around a Living Universe narrative that recognizes our human nature, responsibility, and possibilities as living beings born of and nurtured by a living Earth.

Design for a Living Earth Economy

Institutionally, the economic system defines how we humans relate to one another and the rest of nature to obtain our means of living. By the structure of the current economy, we live in involuntary, undemocratic servitude to whomever controls that system, much like the serfs of medieval times who farmed the lands of nobles.

The actions required to transition from a money serving Suicide Economy of involuntary servitude to a global system of self-governing, life-serving living economies go far, far beyond increasing worker pay and implementing additional rules to curb corporate excess. These include a deep institutional restructuring to shift power from money seeking global financial markets and corporations to self-governing, life-seeking communities of place.

Given life's need for constant creative micro adaptation to local conditions, it is impossible to achieve Earth balance between people and nature through the central direction of local action. As with Earth's biosphere, our human economies must self-organize locally everywhere, recognizing that if the people of each bioregion are living in sustainable balanced relationship with their local ecosystems then we, as a species, will be in balance globally with our Earth mother.

Earth's biosphere segments itself into self-reliant, self-regenerative bioregional communities, each engaged in the constant locally self-reliant capture, sharing, reuse, and regeneration of the nutrients, energy and water required to maintain the health and vitality of all its resident organisms. Each community member contributes; each benefits.

Our future depends on learning to assimilate into and function as responsible members of these generative and largely self-reliant living communities. Indigenous communities learned to do it. Presumably we, their descendants, can learn to do it as well—though we must now learn to do it in ways that balance the consumption of 7.6 billion—and growing—humans with the generative capacity of our living Earth mother.

In our modern human economy, we may trade a portion of our material surplus with our neighbors, but always in fair and balanced exchange. And we will need to freely share that which is infinitely reproducible—information, culture, and beneficial knowledge and technology.

The transition needs the guidance of a new societal narrative that recognizes and celebrates our nature as living beings born of and nurtured by a living Earth born of and nurtured by a living universe. That narrative must remind us that money is simply a number with no meaning or existence outside the human mind. And GDP is a financial indicator that tells us far less about how well the economy is serving people than about how fast the very rich are consolidating their control of the resources and money on which the rest of us depend.

The restructuring requires that the rights and power of each corporation be subordinate to the jurisdiction and authority of the government that chartered it. And its operations must be limited to its chartering government's jurisdiction.

Transnational corporations, by their nature, violate this essential organizing principle. They are an illegitimate institutional form and should take their place alongside monarchy and other institutions of authoritarian oligarchy in the dustbin of history.

We must turn our attention from GDP as our measure of economic performance to indicators of the health and well-being of people and the rest of nature.

We must reclaim finance as a *service* sector. It produced nothing. It's only function is to ration access to money. Its institutions should be cooperatively owned and managed as public utilities. Financial speculation is properly prohibited. Gambling should be limited to well-regulated casinos.

Economic democracy in which each person has a real ownership share in the assets on which their livelihood depends is an essential foundation of political democracy. If we value democracy, we should give it a try.

Currently the laws of most countries give corporations more rights than people and nature no rights at all. Yet without nature, there are no people, and without people there are no corporations. We have it exactly backwards. Nature must come first. We the people create corporations, let them be our servants.

We are presently engaged in a struggle between corporate power and people power. The latter is less visible, but is growing as people withdraw their life energy from the corporate suicide economy and redirect it to creating the building blocks of a living Earth economy from the bottom up. They are advancing sustainable community agriculture, Renewable energy and energy efficiency, Local zero-waste circular manufacturing, Independent retail, Green building, Local Financial services, Local and/or fair trade clothing, Holistic education, Independent media and communications, Local business development and professional services, public transportation, holistic health and wellness, creative participatory arts and culture. The greater their success, the greater our opportunities to engage and meet our needs through the emerging living Earth economy.

Higher Education for the 21st Century

So now we turn to the implications for the institutions of the Academy.

At best, our universities now prepare their graduates for jobs in institutions of a dying imperial civilization. Not only must future graduates be prepared to serve wholly new institutional forms that support ecological balance, shared prosperity, and living democracy, they must be prepared to create them anew with few models to guide them. And it isn't just about young people. The entire society must be retooled and re-skilled—immediately.

Few universities are prepared to address this challenge. They currently organize by narrowly defined academic disciplines grounded in the mechanistic Grand Machine worldview of the first Enlightenment.

Their graduates are ill prepared to think and act as living beings in a living Earth world that organizes around complex, interconnected, and constantly adapting and evolving systems in which disciplinary boundaries are meaningless. This creates a sharp disconnect between academia and our social and ecological reality.

Academia's fragmentation of knowledge actively suppresses the ability of its graduates to understand complex human social systems and their connection to the living systems on which our well-being depends. A deep and immediate rethinking and restructuring is essential. Working out the specifics of essential institutional reforms will require deep reflection, rigorous debate, and radical restructuring. Here are some initial suggestions.

- Strip away the intellectual walls that isolate academic disciplines from one another and the physical walls that isolate formal learning from the living world.

- Organize faculty and students into interdisciplinary learning teams that reach out to, engage, support, and learn from nearby community-based problem solving.
- Shift the focus from specialized pre-employment degree programs to preparation for and facilitation of lifelong learning.
- Replace the metaphor of the machine with the metaphor of the living organism as the defining intellectual frame.
- Staff departments of biology and ecology with biologists and ecologists who view life through a living-systems lens.
- Feature history courses that examine through a holistic system lens how large-scale social transformation occurs in human societies and draw out relevant lessons for contemporary change agents.
- Replace conventional economics departments with departments of ecological economics. Invite conventional economists to retire, retrain as ecological economists, or to offer courses on the logical and moral fallacies of neoclassical economics and why and how it brought humanity to the brink of self-destruction.
- Replace engineering, architecture, and urban planning curricula centered on creating an automobile oriented infrastructure that suppresses nature and walls us off from life with curricula that support creating a life oriented built infrastructure that connects us with one another and nature as living members of living communities.
- Introduce law school courses exploring the nature, structure, and doctrines of an Earth-law/rights-of-nature legal system.

Moment of Readiness

Breakthroughs in public consciousness take hold only at rare moments of readiness. I sense such a moment is at hand.

There is no solution to the unfolding environmental, social, and governance system collapse within an institutional system based on demonstrably false values and flawed assumptions. This presents a strong challenge and opportunity for colleges and universities.

We humans are engaged in a monumental work of reinventing ourselves, our culture, and our institutions. I believe it is the most exciting intellectual challenge and creative opportunity in the whole of the human experience.

The need is urgent. The time is now. We are the one's we've been waiting for. Thank you.

Dr. David Korten is the author of [Agenda for a New Economy: From Phantom Wealth to Real Wealth](#), [The Great Turning: From Empire to Earth Community](#), [The Post-Corporate World: Life after Capitalism](#), and the international best seller [When Corporations Rule the World](#). He is board chair of [YES! Magazine](#), a founding board member emeritus of the [Business Alliance for Local Living Economies](#), president of the [Living Economies Forum](#), an associate fellow of the [Institute for Policy Studies](#), and a member of the [Club of Rome](#). He earned MBA and PhD degrees from the Stanford University Graduate School of Business and served on the faculty of the Harvard Business School. [He blogs for YES! Magazine](#). This presentation draws extensively from his book *Change the Story, Change the Future: A Living Economy for a Living Earth*, Keep up with his current thinking and schedule. Subscribe to his newsletter. It is infrequent and we will never share your e-mail. <http://livingeconomiesforum.org/newsletter-signup>