Europe, Globalization and Sustainable Development

Edited by
John Barry, Brian Baxter and Richard Dunphiy

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Can Europe produce a sustainable future? What difficulties does globalization throw in the way of states that aim to create a sustainable economy?

Europe, Globalization and Sustainable Development explores the many facets of these issues in the light of the most recent developments in Europe. The two focal points of the studies are politics and policy. The contributions to the current European experience made by ecofeminism, the anti-globalization movement and the European environmental movement are examined, as are matters such as education for environmentally-informed citizenship, the possibilities for creating an environmentally-friendly form of industry and the interaction between Europe and the rest of the world in international policy-making forums such as the Johannesburg Earth Summit.

This edited volume considers the ways in which European states and the European Union can and should organize themselves economically and socially in order to address the challenges of sustainable development. It will interest students and researchers of environmental policy and European politics.

John Barry is a Reader in the School of Politics, Queen’s University Belfast, UK. He is also co-leader of the Green Party in Northern Ireland.

Brian Baxter is Lecturer in Politics at the University of Dundee, UK.

Richard Dunphiy is Senior Lecturer in Politics at the University of Dundee, UK.
The centrality of place

Consider the paradigmatic value statement that place matters. 'Place' is a soft word, one that, coloured by story, integrates heart with head in humanizing the much more objectified term, 'environment'. Place starts with the ground on which we stand, it spreads out to our local communities and bioregions (perhaps including such social constructs as nation states), and extends into the furthest cosmos. It is geocentric and, often, anthropocentric, capable of placing at the centre of all things the very hearth, or spot, where we happen to be right now.

Whilst such a construct, or rather, empirical experience, is nonsensical in terms of post-Copernican astronomy, it is psychologically valid. Place and places are the context in which we live and die – in which the dust of our bodies comes from and returns to that of the Earth. And place underpins each of the three keywords of this collection’s theme. It is paradigmatic to Europe, Globalization and Sustainability.

It is so, first, to Europe, because that word, as used here, developed contemporary meaning in the wake of two major twentieth-century tribal wars which were about territory. These impressed on war’s remnant generation an imperative of learning to relate to one another’s places with a more dignified respect; something that, it was hoped, and with remarkable success within Western Europe, might negate away the causes that lead to war.

Second, globalization, too, is about relationship to place. It defines how we interrelate both to our standpoint in the ‘here’, and also to the ‘elsewhere’. It does so, not neutrally, but with attitude; with a homogenizing sweep that, for better or worse, subsumes the boundaries and worldviews that would otherwise mark out the identity and distinctiveness of places.

And third, sustainability has bearing on place. It is the acid test of whether or not our interactions with the surrounding ecosystem comprise ‘right relationship’. It pushes us to ask: is our relationship proportional, in balance with the web of support structures and feedback systems by which biodiversity, as the fullness of life on Earth, can be sustained? To borrow the accountancy expression, are we running the human race as a ‘going concern’? Are we setting up our children’s children to live not just any old life, but ‘life abundant’ into the very fullness of geological time for which an evolved species on this planet ought reasonably to be expected to endure?

In short, we may find ourselves left by modernity somewhat alienated from place, but it still matters, and the veneration with which we develop sense of place through the fullness of time is a touchstone of our humanity. It is what makes us Earth-dwellers rather than any other lifeform.

Geddes’ Folk, Work and Place

Given the emphasis on the importance of connection to place and places, it is either necessary to mount a detailed systematic defence of place, or to presume it as an axiomatic value statement. Given the probable readership of this volume as well as my own cultural antecedents, I will presume the latter. This will allow me to devote space to the implications.

Here, then, we are concerned with real people, working out their lives in a Europe that is not just a social construct, but physical reality: a place of stone, soil, elemental forces, plants and animals. Starting from this value-laden concern, let us take our bearings – watching all points of the come-to-pass on the compass grounded in the bedrock of our times. And let us, for argument’s sake, start at the place where the papers collected in this collection were initially delivered – at Dundee University.

It was here that Patrick Geddes (1854-1932) once held the chair in botany and was a formative figure in our subject matter. Geddes’ biographers variously describe him as a biologist, town planner, re-educator and peace-warrior. Patrick Abercrombie summed him up with the epithet, *A Most Unsettling Person* (Kitchen 1975). Today we see him as a pioneer of human ecology, which is to say, of the study of the interrelationships between the social environment and the natural environment; the study of human communities.

Two aspects of Geddes’ thought come quickly to mind. One is his much-quoted axiom, ‘by leaves we live’, originally part of his farewell address to his students at Dundee. Here, then, was the socio-botanist who saw the building-block connection that exists between the vegetable world’s photosynthetic product and human life on Earth. Not for him was the unbelievably naïve notion, readily challenged by simply trying to hold one’s breath, that nature is a socially-constructed discourse; that trees are text, rather than text being that which is written on trees. Geddes, then, was a structuralist; an ecological realist. He understood the providential natural processes that buttered his bread and saw humankind in due proportion to these.

The second apposite aspect of Geddes’ thought is his so-called ‘Notation of Life’ (reprinted in Macdonald 1992). He proposed that human...
affairs could be understood by examining the interactions of three
axiomatic categories - Folk, Work and Place.

Consider, then, an international conference such as stimulated the
pulling together of this book. And imagine Geddes flying in to attend it
from his work in Montpellier, or India. He would have refused to treat
Dundee just like any other academic conference location. From the
moment his plane broke through the clouds, he would have had an eye to
the lay of the land. He would be getting in touch, getting a feel for 'Place'.

He would have noticed that the farms near Dundee are large. And he
would surmise from settlement patterns that the countryside has been
planned mostly as the preserve of the well-to-do and their servant classes.
He would have understood what that implies about patterns of land
ownership - indeed, it would have come as no surprise to him to learn
that a mere 1,000 owners today control nearly two-thirds of Scotland’s
private land (which is why in 2003 the new Scottish Parliament passed the
Land Reform (Scotland) Act).

Moving from 'Place' to 'Work', he would have observed the harbour
facilities on the 'Silvery Tay', leading out into the North Sea. He would
have gathered that this was once one of the 'great' cities of Empire. Start-
ing as a market town and port with ease of export to continental Europe,
Dundee expanded rapidly as globalization's earlier, more self-confessedly
imperial, phase drew in huge volumes of commodities. The city was
particularly famous for the Indian jute that came to be milled into sack-
cloth and rope, colonial decrees having compromised India's own spinning
industry in order to maintain jobs back home in Britain.

After having passed through the airport terminal on touch-down,
Geddes would probably have picked up not just a national newspaper, but
also a local one. He would have wanted to get a feel for the grassroots and,
deeper still, the taproot dynamics of the 'Folk' living here. On mounting
the airport bus, something of that 'most unsettling person' quality would
have been firing up in the Geddessian bones. Passing through the city
he would have observed, with an acuity lost to most urbane modern eyes, the
'Folk' of the city. He would have noticed hardship etched into the body
language of many a posture; indeed, into the very discoloration of
'poverty teeth'.

Listening to people's accents, observing names and football colours, he
would have appreciated that many of those who came to this city during
the era of colonial expansion had been pushed off the land, both from
nearby and from as far afield as the Highlands, the Borders and Ireland.
Their onetime jobs in colonial industries had disappeared back to India
or Bangladesh on the homogenized level-playing field of free trade that
now better suits the economic imperative. But while capital may be root-
less, people are not. So it is that many of Dundee's social problems are the
fossilized counterpart of bygone splendour.

By the time Geddes would have arrived at the conference, he would
have been angry. Coming from the tradition of democratic intellectualism
that is native to his Scots-Gaelic cultural origins, he would be thinking that
there is no point in being an academic, no point professorially professing
our vocations and wanking on about sustainability... unless it addresses
the malaise of Folk, Work and Place that he saw on his way from the
airport. And by the way, I use that masturbatory expression advisedly, as a
sadly-necessary scholarly term for the self-gratification that is all our intel-
lectual endeavours can ever amount to unless they serve the needs of
either the poor or the broken in nature. Geddes was a Scots international-
ist who had internalized the democratic intellectual view that, while know-
ledge inevitably creates an elite, that privilege is only justified if it serves
the community. Knowledge as power is corrupt except when that power is
accountably laid at the service of the community.

And so, finally, as Geddes rose to the conference rostrum, he would
have arrived as a man of determination; as an academic, uncharacteris-
ically, with attitude. Not for him academic value neutrality. This would have
been a man on a mission, and even before saying anything his wild-eyed
elemental countenance would have been troubling the peace of some of
our more cloistered colleagues. And as he parted his lips, this would have
been the Jeremiad, these are the precise words, that would have thun-
dered forth for due publication in this volume.

We are indeed the New Troglodytes; hence our restless and ant-like
crowding, our comfortable stupor of hibernation, our ugly and evil
dreams. Here is a main clue to the sociology and psychology of our
cities by which we may understand much of the physical degradation
of their inhabitants... The sole theory, nay, the whole practice also, of
'economic progress' lies in the steady development of a lower and lower
life. Do we not tell the wretched millgirls of our Dundee and Oldham
how they must speedily give place to the cheaper drudges of Calcutta
and Shanghai, or save themselves and slay these by diving into a yet
lower circle of poverty?... And what remedy is there? None that any
one knows of... for now is the golden age of Competition, as of Death.

Globalization and the space-time schism

Professor Sir Patrick Geddes wrote those words in his essay, The Sociology
Reading it, we can see that, starting with his Folk, Work and Place 'nota-
tion of life', and digging from where we stand at, say, Dundee University,
we can quickly find ourselves connected through geographical space with
Calcutta and Shanghai, and through time with all the post-Renaissance
history of modernity.

Indeed, we find ourselves moved on from Newtonian thinking, where it
could safely be said that 'History's about chaps and geography's about
maps', and re-connected to a social expression of the Einsteinian space-time continuum, in which place can be seen in true perspective only when considered not just alone in its three spatial dimensions, but also, as being simultaneously situated within the fourth dimension – that of time, of dynamic history.

Not for Geddes would be Fukuyama’s pretentious posturing of an ‘End of History’ (Fukuyama 1993). Neither, for him, would be Fukuyama’s fellow globalization exponent and guru to Tony Blair, Charles Leadbetter, who says in Living on Thin Air, a book celebrating the ‘knowledge economy’:

Strong communities can be pockets of intolerance and prejudice. Settled, stable communities are the enemies of innovation, talent, creativity, diversity and experimentation. They are often hostile to outsiders, dissenters, young upstarts and immigrants. Community can too quickly become a rallying cry for nostalgia; that kind of community is the enemy of knowledge creation, which is the wellspring of economic growth.

(Leadbetter 2000)

Nor would Geddes have been any more impressed by the root of the whole mindset that permits valuing place or knowledge or anything only according to economic performance criteria – a position most formatively expressed in John Locke’s 1690 Second Treatise of Government where, he supposes, the ‘wild common of nature’ belonging to all is augmented in its ‘natural intrinsic value’, only on being ‘remove[d] out of the state that nature hath provided’, when an individual from among ‘the industrious and rational’, being obedient to God’s supposed expectation that we should ‘subdue’ the Earth, ‘hath mixed his labour with, and joined to it something that is his own, and thereby makes it his property’ (Locke 1980: ‘Of Property’, 18–30).

Here we see exposed the inner wheel of colonization, indeed, of globalization, as the process of commodifying both wild nature and, for that matter, human nature. It might be characterized as a de-spiritualized transcendentalism; an abstraction from this worldly reality that pays no heed to Life and its sources. It sees value only in abstract money terms: the leit-motif being that what can’t be counted doesn’t count. This is achieved, as Leadbetter unwittingly implies, by denying that which is most human – the living meaning of community, with its roots in settlers, who mixed their labour with lands over which their proconsuls (or more mundanely, shareholders) presumed a divine ‘manifest destiny’ and, preferably, a Royal Charter, to justify colonization. Now, in the era of globalization, knowledge has subsumed labour as the proprietorial mediator over ‘interests’. As Leadbetter puts it, and he is only one of many gurus of such economic liberalism, ‘Traditional assets [such as labour and natural resources] still matter, but they are a source of competitive advantage only when they are vehicles for ideas and intelligence which give them value’ (Leadbetter 2000).

Deficient from this superficial truism is any sense of real intrinsic value; any essentialist (yes – why not?) recognition that conscious life exists, that life matters, and that cultural diversity and wider biodiversity are more than what can be captured in the mere calculus of, say, contingent valuation methodologies, which seek to value the environment by adding up what people say they would be willing to pay to see it preserved.

I am suggesting, then, that the denial of history, and, with it, that which gives depth and meaning to indigenous cultures, religions and communities of place, are not an accidental by-product of globalization. Rather, deracination is what fuels the engine. The splitting of the socially expressed space-time continuum, so that place can be trampled over in denial of the significance of history, is essential for the casino-economy logic of globalization-as-advanced-capitalism to stack up. As Marcuse (1964) suggested, we have become ‘one-dimensional man’. People’s cultural history, their relationship in tripartite community – with one another, with the environment, and with their God or gods – must be ‘discounted’, even destroyed, so that Mammon, the veneration of money, can rise to rule uncontested.

Meanwhile, any attempt to re-integrate the space–time continuum is denigrated. To Leadbetter, as we have seen, it is ‘nostalgia’. Others would speak of tribalism or ‘dangerous nationalism’, and of course, the energy that emerges from politically repressed human aspiration very often does become dangerous. Such, for example, has been the plight of Islam in the face of what it sees as imposed usurious capitalism. Such is the position of any peoples where the implicit meanings of local practices have been steamrolled.

The Marcusian ‘system’ has to become totalitarian out of its own autopoietic or self-organizing intelligence. It senses that anything short of total control will allow remembrance of alternative ways of being human – allowing for a re-membering of history, a revisioning of possibilities, and thereby risking a re-claiming of stolen patrimony. The ‘spirits of capitalism’, as Richard Roberts’ critique of managerialism metaphorically describes the forces that we are up against, ‘may seem to be haphazard networks, a rhizomic pattern lacking any obvious rational ordering’, but, actually, they embody ‘a coded, quasi-mythologised vision for a fully managerialised world’ (Roberts 2002: 2–3). They fear any analysis suggesting that the root of the global problematics is cultural, even spiritual, because it is precisely these frameworks of comprehension that the latter-day inquisition has marginalized in order to usurp and consolidate power. The result is a progressive dislocation from reality.
Globalization, time and capital budgeting

I would not want to rest my analysis that globalization is characterized by commodification procured by an engineered ahistoricity solely on a critique of exponents like Fukuyama and Leadbetter. Rather, that which makes globalization so particularly interesting is the precise mathematical strucution by which it is constellated. It is, on its own principle that only the countable counts, vulnerable to deconstruction. I refer here to the very calculus by which time is discounted in the formulae routinely applied to achieve advanced capitalism’s own yardstick of quantification: I refer to a process known as ‘discounting’, which is germane to so-called ‘capital budgeting’.

Since at least the 1970s, the principles of capital budgeting have become systemic to investment appraisal. Capital budgeting is the discipline that studies, and prescribes, the investment criteria by which corporations (and, increasingly with private finance initiatives, governments) advance their superordinate existential objective – comparative profitability in a competitive market.

Contrary to the ethical teachings of many of the world’s religions – medieval Christianity and Islam in particular – capitalism gives money a time value. It presumes that the loan of money is not just a transaction of human conviviality, of mutuality, to be compensated by no more than a zero-real-rate-of-return charge for inflation, administration and bad debts. Rather, it presumes that, in addition to having the primary quality of recording obligations of power between people, money also has a secondary quality; that of self-reproduction – the making of money out of money. This expected rate of return broadly speaking translates as the ‘interest rate’.

Interest is defined as compensation for delayed gratification. In orthodox religious discourse it is called usury. On the surface of things, interest recognizes the time, or historic value, of money. Paradoxically, as I shall show, it embodies a logic of abstraction that impeccably undermines real human relationship to time. It thereby engenders, embodies and demonstrates the ahistoricity that, I have suggested, lies at the core of advanced capitalism.

Most people understand how compound interest works, being calculated as interest on both the principal investment and on any accrued interest. Few observers, however, appreciate that the everyday process of charging compound interest has a reciprocal side to it; one that only evolved since the mid-sixties as germane to capital budgeting.

Compound interest is the logic that if I invest £100 at, say, 7 per cent interest (ignoring inflation, administration and any bad debts), I shall end up accumulating £200 in ten years’ time. But such logic also carries a reciprocal implication which becomes clear if we consider, say, an investment project where I can expect a return of £200 in ten years’ time. Because at our accepted rate of 7 per cent £100 is worth £200 in ten year’s time, my future £200 return on investment is said to have a ‘Net Present Value’ in today’s terms of only £100. Put another way, if I require a rate of return of 7 per cent compounded, I will today lend you £100 only if, in ten years’ time, you will repay me £200. In economic parlance, I am ‘indifferent’ between having £100 to spend today, or £200 in 10 years time. Such is money’s presumed ‘time value’; my compensation for delayed gratification.

Discounted Cash Flow (DCF) methodology is the engine by which such capital budgeting assumptions are nowadays routinely applied in large project decision making. The project just described would be said to yield either an Internal Rate of Return (IRR) of 7 per cent, or to have a Net Present Value (NPV) of £100. The effect of applying a 7 per cent required IRR to the investment outlay is to ‘discount’ the future cash flow of £200 by 50 per cent.

On the surface of things, interest and its reciprocal in discounting is all very logical and quite innocent. One wonders why, then, such transactions have been so condemned in certain ethical discourses. Why, for example, did Pope Benedict XIV reaffirm medieval Catholic social teaching in his encyclical, *Vix perentit of 1745*, with such a sweeping statement as: ‘The sin called usury is committed when a loan of money is made and on the sole ground of the loan the lender demands back from the borrower more than he has lent’ (Kirwan 1991: translator’s notes)?

The obvious justification for such condemnation is that interest rates must have been getting out of hand. This was why Protestant reformers, most notably, John Calvin, sought to distinguish between interest and usury, claiming usury to be only the excessive charging of interest. However, Pope Benedict, like contemporary Islamic economists, seems to have rejected this approach. Any rate of interest was seen as corrosive to society. Why?

Apart from the obvious slippery-slope argument leading towards voracious usury, insight into the consequences of any usury whatsoever may be appreciated from reflection on the consequences of DCF, whether this is applied consciously, as with capital budgeting, or implicitly. Any demand for a real positive rate of return on capital implies the logic of DCF. It thereby discounts the children’s future. It counts the future as exponentially less meaningful than the present.

The conscious application of DCF, even more than limited liability corporate status, is perhaps the defining characteristic of ‘advanced’ capitalism. The objection to it rests in the exponential mathematics that discounting employs. The further you plan ahead, the quicker future returns are decayed to a minimal NPV. We have seen, for example, how a 7 per cent IRR degrades future value to half in ten years. Even a mere 3.5 per cent would halve it in 20 years. This adds up to why it makes no economic sense to plant forests of slow-growing European hardwoods, or
to build constructions that last for more than a couple of generations. The NPV of the stream of future returns (in rentals or other utilities) discount away to virtually nothing.

Set in this light, the 'sin called usury' emerges as more than just the sin of the loan shark. It is an intergenerational sin against our relationship to time itself; to humankind's situation as a going concern within history. It is an institutional sleight of hand, now axiomatically codified into mainstream Western economics. Neither is it 'inevitable' or 'just the way things have to be'. Pre-Reformation Christian economics, Mosaic economics within early Jewish communities, and contemporary moves towards Islamic banking demonstrate that economic affairs can be handled differently, on a basis of mutuality, if we so choose. This, however, would undermine capitalism, and is perhaps the deepest reason why Islam represents a formidable challenge to Western economics (see for example Choudhury and Malik 1992).

Texts on marketing history such as Vance Packard's classic The Hidden Persuaders (1960) and more recent works on consumer behaviour such as Sheth, Mittal and Newman (1999) reveal how corporate marketing sees the name of the game as a battle to command the human psyche. Meaning, originally embedded in a living context of community, place and history, is replaced on the fields of public discourse by extracted, abstracted and invented branded substitutes.

It ought not to pass unnoticed that modern marketing developed out of a post-World War II scenario where mainly-American multinationals feared the peace-time loss of their market positions captured under the exigency of war. These corporations hired the 'depth boys' school of motivational manipulation - a movement so-called after their adaptation to selling branded products of the depth psychology psychotherapeutic insights of Freud, Jung and Adler. Emotional 'triggers' were 'hooked' in ways calculated to stimulate 'needs' that would not otherwise have existed. As such, corporate globalization, seen through the lens of marketing history, is a form of cold war - a covert continuation of wartime over-stimulation.

The mechanisms employed in this were, and remain, Pavlovian. Corporate entities are forced to escalate the spiral of competitiveness to avoid predatory takeover. All that counts, and all that is counted, is market expansion and penetration in the gratification of an infantile here-and-now. The battle is for control over the human psyche, and its motor force is the theft of life - violence - under a benign masquerade of 'healthy competition'. This subscript is what causes globalization to leave such a colonial taste on the lips of many, and yet, being hard to see through, makes it difficult to pin down. It is difficult to see the nature of such an all-embracing Moloch. And in small ways, such as when innocently demanding the highest rate of interest from the bank, we are all a part of it.

New and old Europe: globalization versus One World

At the heart of Europe is a paradox. On the one hand it seeks to build a territorially defined peace to which sustainability is integral. But on the other, it seeks to meld this with an advanced capitalist market economy where 'free trade' has become conflated with competitive trade, and where, as we have been examining, this is relentlessly driven by monetarist and marketing mechanisms that privilege ahistorical short-termism and, so, offend against sustainability.

But alternatives to such globalization do exist. The internationalism of a 'One World' perspective, predicated on co-operation rather than competition, can be just as outward looking without reducing the poor and their soil to mere commodities. One World internationalism would not mean an end to competition. Rather, in a reversal of the current ordering of things, it would constrain and permit competition to operate only in the service of co-operation, just as, in democratic intellectualism, knowledge is permitted to express its power only when accountable applied in the service of the community.

Can we imagine, for example, public contracts awarded not to the lowest bidder, but to the one that can demonstrate (within a cost ceiling) the highest level of employee job satisfaction and the most sustainable use of natural resources? Can we imagine, in short, a shift away from corporate survival of the fittest, towards survival of the most fitting within a humane environment?

On the way to full European union, milestones have been passed that perhaps need to be revisited so that values steamrollered by globalizing forces are not lost. During the 1980s, for example, it was commonplace to talk about creating a 'Europe of the regions', with reference to Europe as a 'community' rather than a 'union'. Such thinking honoured place. It should be built upon.

At another level, Jacques Delors had these vitally important words to say about social cohesion in 1992 during his presidency of the European Commission:

We are in effect at a crossroads in the history of European construction. 1992 is a turning point. Even if on the surface of the sea nothing is yet visible, deep down the currents are beginning to change direction. The Maastricht summit marked the end of the economic phase of European construction...[and] we are now entering a fascinating time - perhaps especially for the young generation - a time when debate on the meaning of European construction becomes a major political factor.

Believe me, we won't succeed with Europe solely on the basis of legal expertise or economic know-how. It is impossible to put the potential of Maastricht into practice without a breath of air. If in the
next ten years we haven’t managed to give a soul to Europe, to give it spirituality and meaning, the game will be up.

This is why I want to revive the intellectual and spiritual debate on Europe. I invite the churches to participate actively in it. The debate must be free and open. We don’t want to control it; it is a democratic discussion, not to be monopolised by technocrats. I would like to create a meeting place, a space for free discussion open to men and women of spirituality, to believers and non-believers, scientists and artists.

(Raiser et al. 1997: 51)

It is here that we find exposed the deepest name of the game. We could be facing a schizoid splitting of soul if the centre loses its hold—a fissuring into an historically situated ‘Old’ Europe and a disembedded, ahistorical ‘New’.

But it doesn’t have to be like that. For it not to be so, we Europeans must insist on values that count for more than dollars can buy. We, like Delors, must insist on nothing less than soul. We must guide our public policies according to that which gives life; that which brings beauty. Achieving a sustainable Europe in the face of globalization will therefore be a question of courage. It means privileging the co-operative ethos of ‘One World’ internationalism and challenging what Geddes called ‘the golden age of Competition, as of Death’.

Note
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