



Contractionism: An Overview

This document is the summary chapter of my book "Contractionary Revolution".

Contractionism's core assertion is that humankind's economic activities have driven the biosphere into overshoot, that this violation of ecological limits threatens life on earth, and that reversing overshoot is a revolutionary task. A brief historical sketch will help clarify this statement. Five hundred years ago a potent economic conception took hold in Europe: to place much of the land, buildings, and tools in the hands of an ambitious few in order to rapidly increase the rate of production. In the ensuing centuries the resulting economic system, now known as capitalism, displaced its feudal predecessor and spurred an orgy of colonization, rising consumption, and population growth. Today this system dominates the globe and, through its heedless expansion, threatens to destroy the natural world. Contractionism arose in reaction to this potential catastrophe. Its countervailing economic conception is to rapidly shrink the world's bloated economies and to achieve sustainable well-being for the world's people. It seeks to historically supersede capitalism much as capitalism superseded feudalism. Its approach is revolutionary because the capitalist class, like all ruling classes before it, will not voluntarily step aside and allow the new economic vision to be realized. Let me now examine the key details, starting with the ecological crisis itself.

Humankind is a successful biological species that had expanded its planetary presence for hundreds of thousands of years. The small band of our ancestors that left Africa a million years ago grew to about 500 million widely-dispersed people by the year 1500. Although the rate of expansion prior to the advent of capitalism was extremely slow, it exploded once the system became dominant, resulting in a world population of seven billion by 2011. What this pattern reveals is that humankind has experienced two discrete expansionary phases. The first occurred prior to 1500 and has its roots in human nature. This is called *biological expansion*. The second occurred after 1500 and has its roots in the dynamics of capitalism. This is called *hyper-expansion*. To gain an appreciation of the profound significance of hyper-expansion, imagine that it had never happened. That is, imagine that the rate of population increase in the centuries before 1500 had continued, and that population accurately reflects ecological impact.

Under these assumptions, the ecological crisis would have been postponed for thousands of years, to roughly the year 4700.¹ In addition, the continuation of biological expansion would have meant a gradual approach to ecological limits, leaving time for the introduction of appropriate policies and modest behavioral changes. Instead, hyper-expansion has caused an abrupt violation of these constraints, rendering incremental measures all but useless.

Contractionism uses William Catton's word "overshoot" to refer to the violation of ecological limits due to economic activities.² In the broadest terms, humankind has caused overshoot because its production level, or output rate, is too high and its ecological efficiencies are too low. Reversing overshoot will require a sharp decrease in the global output rate through reduced population and per-capita consumption, as well as substantial increases in ecological efficiencies. To clarify the nature of this challenge, a distinction is made between an economy's resource limit and its impact limit. The *resource limit* is the maximum output rate that an economy can maintain indefinitely in the absence of nonrenewable resources. Violation of this limit is called *resource overshoot*. The *impact limit* is the maximum output rate that allows the biosphere to harmlessly absorb an economy's environmental effects. Violation of this limit is called *impact overshoot*. The world economy probably entered resource overshoot shortly after 1900, when cheap energy from fossil fuels allowed the global population to shoot past the sustainable level of about one to two billion people.³ It likely entered impact overshoot in the 1950s, when the atmospheric CO₂ concentration first exceeded its long-term maximum of 300 ppm. Of the two, impact overshoot is far more serious. If resource overshoot is not addressed it will eventually cause a drastic decline in human population. This will be a tragedy for those who perish, but it will not result in humankind's extinction, and it will create a more habitable planet for non-human species. Impact overshoot, on the other hand, has the potential to severely degrade the biosphere, thereby negating our planet's capacity to support complex life. For this reason, all references to overshoot below pertain to impact overshoot.

It is important to understand that overshoot refers to the entire range of impact-limit violations, and thus includes climate change, ocean acidification, habitat destruction, chemical toxification, and other forms of environmental damage. Climate change may well be the most menacing of these, but if we focus on it too intensely we could easily be blindsided by the other components of overshoot, like a pedestrian dodging the first car in traffic only to be struck by the one just behind it. As well, fixating on climate change leads to narrow, energy-based solutions to this specific problem, whereas considering overshoot leads to a critical examination of

the economic system as a whole. This comprehensive approach is the only way to move humankind from its expansionary past to its post-expansionary future.

Before the summer of 2012 I would have considered the above to be an adequate synopsis of humankind's ecological situation. Sadly, things have changed - radically and for the worse. During the past summer of nasty surprises, the extent of Arctic sea ice shrank 18% below the previous record of 2007. In addition, the ice thickness decreased appreciably, and is now approximately 40% below the 1979 figure.⁴ These extraordinary losses were not anticipated by scientists, which strongly suggests that the planet is far more sensitive to human influence than anyone had thought, and that climate change may well have passed a dangerous tipping point. As if to confirm these judgments, the international consulting firm PricewaterhouseCoopers warned its business clients in November, 2012 that a global temperature rise of 4°C or 6°C is now more likely than the previous goal of 2°C, and that they should prepare for "more invasive regulation".⁵ Later in the same month a study published in the journal *Science* concluded that the Greenland ice sheet is losing ice five times faster than it did in the 1990s.⁶

Given these troubling developments, a simple model that addresses the reality of ecological collapse was added to this book late in the writing process. The model is based on three concepts: the impact limit, threshold, and critical threshold. The first two of these are familiar. An impact limit is the output rate where environmental degradation begins, and a threshold is the point where this degradation triggers positive feedbacks that accelerate the decline. The new concept, introduced by climate analyst David Wasdell, is the *critical threshold*. This is the point where positive feedbacks have become so strong that effective human intervention is no longer feasible.⁷ For a major threat like climate change or ocean acidification, reaching the critical threshold means that the biosphere's partial or complete collapse has become inevitable. Relating this to economic activities, the *point of no return* is defined as the global output rate that corresponds to such a critical threshold. This means that the initial task before humankind - the planetary emergency it must immediately confront - is to stabilize the global economy in time to avoid the first point of no return we will encounter. Only if we are successful in this task will we have the opportunity to aggressively curtail our economic activities, thereby addressing the thresholds and limits for the full range of environmental impacts.

The overshoot crisis is at root an economic problem, and it therefore requires an economic solution. Before outlining my economic proposal, however, I must tackle an issue that may appear minor but is in fact highly

significant: the use of the pronoun "we" and its related forms. To this point I have used "we" in the inclusive sense - as a reference to humankind as a whole. This is correct in two cases. The first is when responsibility for the crisis is assigned to humankind as a species. Thus, it is *we, Homo sapiens*, who threaten the biosphere, and not gorillas, trees, or amoebas. The second is in reference to the most extreme consequences of impact overshoot. For example, if the biosphere is destroyed by runaway global warming, we will all die. In any other context, identifying "we" with humankind is problematic and could be strategically fatal. Why is this so? Because not all members of humankind are equally responsible for overshoot, and not all members are equally likely to reverse it. Overshoot was caused primarily by the subset of humankind that is firmly committed to economic growth. These people are here called *expansionists*. Overshoot will be reversed primarily by the subset that values sustainable well-being over rampant expansion. They are here called *contractionists*. To avoid the common mistake of burying these crucial distinctions, I will henceforth use the word "we" exclusively in reference to potential contractionists - those who will conduct the ecologically motivated revolutions that have now become mandatory.

My proposed economic solution to the overshoot crisis is the result of a determined effort to objectively learn the lessons of recent history, thereby avoiding a dogmatic stance on either capitalism or socialism. To use the vernacular, I have tried hard not to throw the baby out with the bathwater - in particular, not to reject capitalism in its entirety because the system contains an ecocidal component. As well, the proposal adopts a neutral posture with respect to the capitalist class. At this stage, before considering their revolutionary overthrow, capitalists are judged solely on the long-term rationality of their economic conception. Whether their initial motivation was greed or benevolence is not only irrelevant, making this judgment would distort the economic reasoning required for a workable plan.

That said, what is wrong with rapidly increasing the economy's output rate? The answer, perhaps surprisingly, is that there is nothing *necessarily* wrong with it. If people are ill-fed, ill-clothed, and ill-housed, and if ecological limits have not been violated, then it would be deeply immoral *not* to expand production for these outputs as quickly as possible. The problem with capitalism's economic conception is not that it encouraged rapid economic growth, but that it did so *without rational oversight*. In

effect, the system's foundational idea equates a higher output rate with economic progress. Consider the errors contained in this conception. First, it ignores the economy's output mix. If the critical shortages are food, clothes, and houses, and if the economy ramps up the production of necklaces and airplanes, then no significant increase in well-being will result. Second, it ignores distribution. If the economy correctly produces more food, clothes, and houses, but if these are purchased by those with full bellies, well-stocked closets, and spacious mansions, again no major benefits will ensue. Third, it ignores satiation. Even if the correct outputs are produced and these are equitably distributed, people will eventually have enough - unless they are spurred to excessive consumption by advertising and other forms of consumer stimulation. Last, and most importantly, it ignores ecological limits. If it is assumed, as in standard economics, that satiation applies only to individual outputs and that people have an infinite desire for outputs overall, this in no way implies that the earth can satisfy these wants. In brief, capitalism's economic conception takes a kernel of truth - that increased production can benefit humankind - and inflates this into a universal imperative that dissolves into utter irrationality.

There is nothing new in these remarks. Numerous critics have raged against capitalism's Ahab-like pursuit of economic growth and its crude disregard of human and natural limitations. The sticking point has always been the system's fate. If capitalism must be superseded, and if socialism is rejected as the alternative, then what is its replacement? This quandary is intensified by the facts that capitalism does certain things very well and that it is woven into the fabric of many societies. To cut this Gordian knot we must stop treating capitalism as a monolithic entity and instead see it as a complex economic structure with two major components: an *economic logic* and a set of *institutions*. The first term refers to the factors that guide an economy's activities and thus determine its main attributes and outcomes. Capitalism's economic logic arises from the market interactions of two incentives: profit-maximization by firms and the consumption desires of manipulated consumers. For example, a capitalist economy determines how much luxury furniture to produce in a year by drumming up demand among the wealthy and then seeing how many leather-upholstered sofas and custom-designed chairs can be profitably sold during this period. The same method, albeit with less rarified advertising pitches, is used to establish the number of pickup trucks and the amount of windshield-wiper fluid the system produces. The term institutions refers to an economy's structural and organizational features, which help implement its economic logic. Under capitalism these include markets,

monetary systems, property relations, and the system's legal infrastructure.

The distinction between capitalism's logic and its institutions is crucial. The logic derives from the system's economic conception and is therefore historically specific. Prior to capitalism, no economy in history was governed by the interplay of profits and inflamed desires. As well, capitalism's logic is responsible for its growth dependence, its restricted capacity to increase ecological efficiencies, and thus for its ecocidal behavior. Conversely, the system's institutions are for the most part historically continuous. Markets and money, for example, have been around for thousands of years, modifying their forms to serve the logic of the system in which they were embedded. From this distinction it is clear that the correct question is not whether the system goes or stays, but what happens to its two major components. And the answer is readily apparent: capitalism's economic logic, insofar as it is used for economic guidance, is ecologically fatal and must be immediately replaced. Its institutions, on the other hand, are potentially useful and can be permitted to evolve as required. The contractionary view of capitalism's future is therefore marked by an inescapable ambiguity. Because the system will lose its central component it will be historically superseded. Whatever we call an economy without capitalist logic, it is not capitalism. On the other hand, its institutional features will be selectively retained, and even its logic could be employed for the limited purpose of economic coordination. For these reasons, contractionism's posture with respect to the current economic system is properly characterized as *post-capitalism*, but not as *anti-capitalism*.

What will replace capitalist logic? In generic terms, this will be the *logic of sustainable well-being* - a mode of economic thought that allows analysts to establish rational economic objectives based on the core attributes of humankind and nature. Among these objectives are production rates for key outputs, resource flow rates into the economy, waste flow rates into the environment, and the population level. My proposal for this new logic is the Economics of Needs and Limits, or ENL. This analytical framework is the subject of my first book⁸, and is outlined in chapter two of the present book. Conceptually, ENL is rooted in the value concepts of John Ruskin,⁹ the marginal techniques of standard economics, and ecological constraints. Ethically, it is founded on the principle that *all human beings, present and future, are of high and equal worth*. My intention with ENL is to provide contractionists with a solid starting point for further development. For brevity, and because ENL is the only framework of its kind currently available, I will use the term "ENL logic" instead of "logic of sustainable well-being" below.

With these preliminaries in place, it is possible to address the transition from a capitalist to a contractionary economy. This must satisfy two requirements: it must occur quickly to avert ecological disaster, and it must minimize social disruption at a time of deeply disorienting change. The latter requirement can be met through the adoption of *contractionary conservatism* - the principle that existing social and economic arrangements should be altered only to the extent that this is necessary for reversing overshoot and achieving sustainable well-being. This principle is incorporated into my proposed transition process, which is called *organic change*.

The central aim of organic change is *rapid contraction* - a swift decrease in the output rate for the major capitalist economies. Organic change has four components. First is the replacement of capitalist logic with ENL logic for guiding purposes. This is the one immediate, top-down element, necessitated by capitalism's ecologically destructive core. The second component pertains to the coordination of economic activities. As noted, contractionism rejects capitalist logic only in its guiding role. If rational objectives have been established by ENL logic, and if consumer manipulation has been abolished, the logic will likely be indispensable for coordinating the myriad details of economic life. Applied in this manner it is called *modified capitalist logic*, and it provides society with a choice: for any output, society can decide whether production should be socialized (collectively managed) or left to this privately driven mechanism. The third component of organic change is the social evolution of capitalist institutions into contractionary institutions. Money, for instance, will likely have to be adapted to a non-growing and more localized economic landscape, whereas markets will probably have to be modified for lower production levels and increased equity. The fourth and last component is the introduction of new institutions. Under capitalism there are no institutions that establish economic objectives based on ENL logic, and there are none that monitor private production for adherence to these goals. Such institutions are historically novel and will have to be constructed from the ground up.

A critical principle underlying organic change is *technological neutrality*. This is the idea that technological complexity is a social choice, and is therefore irrelevant for judging economic performance or progress. One of history's great tragedies is that socialism embraced capitalism's economic conception, thereby establishing expanded production through technological innovation as the accepted mode of development across the political spectrum. Today's ecosocialists commendably reject this productivist mania, but it remains the default development pattern for many social thinkers. In the contractionary future, each society will pursue

an autonomous development path to the extent that this is politically feasible. These paths will range from the technologically simple to the highly complex, based on the populace's desired relationships to their fellow human beings, their productive activities, and the natural world.

Thus far I have discussed the ecological crisis and my proposed economic solution. The next task is to tackle the political obstacles to this solution. The key question is this: How is the trick done? That is, how does the capitalist class maintain its power even while it is transparently destroying the conditions for life on Earth?

If you saw the movie *Fight Club* you may remember Brad Pitt's warning to an initiate: "The first rule of Fight Club is: you do not talk about Fight Club. The second rule of Fight Club is: you DO NOT talk about Fight Club!" What this indicates is that certain aspects of social life are kept hidden from the casual observer - something that is emphatically true of political power, which is rarely exposed to the light of critical scrutiny. Fortunately, two slim volumes that were published 400 years apart offer penetrating insights into the methods used by the powerful to maintain control. The first is Niccolò Machiavelli's *The Prince* (1532). Machiavelli was a diplomat in Renaissance Italy who wrote the book in his retirement. His outstanding attribute was that he examined power with the utmost objectivity. As one scholar put it, "... he proceeds in a calm, unmoral way, like a lecturer on frogs, to show how a valiant and sagacious ruler can best turn events to his own advantage ...".¹⁰ The second book of interest is Edward Bernays' *Propaganda* (1928). Bernays was a Vienna-born American who participated in the highly successful campaign to persuade Americans to support the US war effort during World War I. He parlayed this experience into a brilliant career in public relations, during which he helped corporations sell their wares and assisted Uncle Sam in overthrowing the democratically elected president of Guatemala. A careful reading of these and other books has led me to propose eight principles of political power. The first four of these are highly significant for what follows, so let me briefly describe them.

First, power is about the reality of social control. It is not about a moral vision or the common good, but about dominance over the populace, agreements with allies, and the neutralization of opponents. The powerful are rarely sentimental and often ruthless.

Second, maintaining power requires legitimacy - the support of the ruled. Although force is generally required to attain power, it is too

expensive a method for long-term application and usually results in economically disruptive instability.

Third, legitimacy is manufactured. Those in power are intelligent and know their history. They do not leave popular support to the vagaries of individual choice, but consciously generate consent by satisfying prominent desires and manipulating the masses through propaganda, deception, and fear.

Fourth, coercion is used when legitimacy fails. Those who withhold or withdraw their support from the ruling group will be physically punished through jail, torture, execution, etc., or psychologically subdued through harassment and the loss of income, privileges, and status.

Succinctly stated, the capitalist class maintains the power it historically seized by employing the velvet glove of legitimacy when possible, and by resorting to the iron fist of coercion when necessary. To implement these two means of social control it employs four social instruments: government, the state, the capitalist class itself, and the deep state. *Government* refers to the populace's elected political representatives. Although it is widely portrayed as the locus of popular sovereignty, this is an elaborate deception. As discussed further below, government is restricted to policy influence and lacks true political power. The *state* refers to the various administrative structures that regulate a society's operations. The conventional story here is that government fully controls the state, and that the latter works for the benefit of society as a whole. A more realistic assessment is that government - especially if it has a leftward tilt - has only a feeble grasp on the state's functioning, and that the latter ultimately serves capitalist interests. The *capitalist class* is an instrument of social control through its ownership of production facilities. This allows it to influence people's behavior by withholding employment at will and by co-opting the talented and dangerous through generous rewards. The *deep state* refers to unidentified representatives of the capitalist class who intercede in social affairs as required to maintain capitalist power. Unlike the other instruments, which are more or less visible to the populace, the deep state is entirely invisible. Its existence is therefore readily dismissed by the capitalist media as the product of "conspiracy theories". However, its presence is strongly indicated by its political effects, much as physicists deduce the presence of "dark energy" from the accelerating expansion of the universe.

The nature of government must be clearly understood. It can unquestionably play a constructive role in politically representing the populace, and for this reason it will be part of a contractionary society. However, in a capitalist society its primary role is to underpin the *democratic illusion* - the false perception that the populace, through its

elected government, holds the reins of power. The concept of popular sovereignty is the system's most important social control mechanism because it effectively undercuts the need for revolution: there's no point in revolting against yourself, right? It thus diverts attention away from capitalists as the system's ruling class, and it masks the fact that this rule was in many cases established through the violence that is now scorned as unjustified and unnecessary. Slavoj Žižek, in *Living in the End Times* (2011), is thus on solid ground when he says that the democratic illusion is the "ultimate enemy" because it implies, "... the acceptance of democratic mechanisms as providing the only framework for all possible change, which prevents any radical transformation of capitalist relations."¹¹

The brutal realities of capitalist power are best exemplified by the events of 9/11. The official story of that day is too familiar to bear repeating: the Muslim hijackers, the crashing planes, the collapsing World Trade Center towers. What is fascinating about this story is that it is completely unbelievable, yet almost universally believed. It is not credible for numerous reasons, but most notably because the towers could not have come down as they did without violating the laws of physics. Given the structural characteristics of the buildings, the strength of gravity is far too weak for the upper, dislodged sections to crush the intact sections all the way to the ground. The available evidence overwhelmingly indicates that high-tech explosives were used to demolish the twin towers as well as their companion building across the street, WTC7.

The who and why of 9/11 are virtually impossible to pin down, but the most likely scenario is that it was a false-flag operation orchestrated by the US deep state and its close allies. Such operations deceptively attribute responsibility for an internal act to an external enemy - in this case radicalized Muslims from Saudi Arabia and elsewhere. The likely purpose of 9/11 was to compel the US populace to uncritically support the neoconservative plan to invade the Middle East in order to secure US access to raw materials. If this interpretation is correct, 9/11 followed the centuries-old pattern of a ruling class cynically manipulating the populace by instilling intense fear, thereby short-circuiting rational thought and inducing its compliance. Machiavelli cites an early precedent: the powerful Borgia family disposed of a rival by cutting his body in two and dumping the pieces in a public square. As if anticipating the 9/11 trauma, he comments that, "The brutality of this spectacle kept the people of Romagna for a long time appeased and stupefied."

The most important aspect of 9/11 is that it highlights the distinction between permissible and impermissible thought. The idea comes from investigative journalist Russ Baker. In his informative book about the Bush dynasty, *Family of Secrets* (2009), he rejects the official story about the

assassination of John F. Kennedy and then reveals his dread at being called a conspiracy theorist: "I'll admit it. Fear of being so labeled has haunted me throughout this work. It's been an internal censor that I've had to resist again and again." His conclusion is concise and insightful: "*The boundaries of permissible thought are staked out and enforced.*"¹² What this means is that some ideas, such as gravity-based WTC collapse, can be openly discussed in academia, the capitalist media, and polite company. Others, such as explosive demolition, cannot be broached without incurring severe personal and professional penalties.

The distinction is of central importance today because the ecological crisis straddles the boundary between the two. The problem of environmental decline is largely within the permissible realm. For example, my business-friendly hometown newspaper, the *Vancouver Sun*, regularly prints alarming articles about climate change and even the possible collapse of the biosphere.¹³ Similarly, policy-oriented responses to the crisis, such as carbon taxes and green technologies, can be candidly debated. However, the solution - the *real* solution - remains entirely within the impermissible realm. It would be professional suicide for a *Sun* columnist to even suggest that capitalism is inherently unsustainable and must be superseded by a credible alternative. More broadly, no-one with a social position to protect will openly discuss political power, social control, the capitalist class, or revolution - all concepts that are essential for a sustainable future. We are therefore faced with a *taboo* - a socially-imposed constraint on thought - regarding the most critical issue humankind has ever faced. Unless this restriction is quickly shattered and a workable solution to overshoot is brought within the permissible domain, much of the living world is doomed.

A contractionary revolution is the replacement of capitalists with contractionists as a society's ruling group in order to reverse overshoot and achieve sustainable well-being. It differs from the socialist revolutions of the past primarily in its rejection of capitalism's expansionary economic conception. It differs from the approach of today's ecosocialists because it insists on the transfer of political power, and not merely on the populace's enhanced environmental awareness. It differs from both in its rejection of socialization as the sole mode of production control - that is, it accepts private production as a valid social choice during the transition process.

A contractionary revolution does not reject violence, either during the political struggle or at the decisive moment when power is seized.

However, the essence of such a revolution is not force, but rather a massive shift in legitimacy from capitalists to contractionists. The contractionary movement in a country or region must convince people, through its statements and actions, that it understand their genuine interests and that, unlike the present rulers, it will meet these interests once it achieves social and economic control. Although the two movements differ substantially, contractionists apply the revolutionary model that was developed by the Bolsheviks. This entails an accurate understanding of the populace's needs ("Peace! Bread! Land!") and a profound reliance on its political support during the revolutionary struggle. The two models also overlap with respect to the key requirements for a political revolution: *ideas, leaders, and events*. Ideas are the revolution's conceptual foundation. They provide the historical context, the economic and political analysis, and the strategic "line of march"¹⁴. Based on the ideas, talented leaders must step forward to formulate specific strategies and to educate and stir the populace. With ideas and leaders in place, events must be fully exploited to shift popular consciousness towards the contractionary perspective. Given the overshoot crisis, events refer mainly to ecological disasters, but they could also include political crises, such as the austerity upheavals currently plaguing Europe, that cause people to reconsider their society's basic direction.

Who might be the agents of a contractionary revolution - that is, who are the potential contractionists? The answer is not immediately obvious because the ecological crisis is unprecedented and thus incompatible with traditional political alignments. Over the past several centuries the politically active members of the capitalist world have been roughly split into conservatives, who express themselves through right-wing politics, and progressives, who express themselves through left-wing politics. However, this division is based on a shared commitment to economic expansion, which has now become untenable. The question thus becomes: how are progressives and conservatives likely to respond politically once the gravity of overshoot has permeated society and the contractionary alternative has become widely known?

The progressive-conservative split is to some degree rooted in human nature, which means that it will persist into the foreseeable future. Progressives have a worldview based on values such as fairness, compassion, and social solidarity. They will switch their allegiance from left-wing politics to contractionism once they are convinced that the latter more accurately reflects these values in an era of ecological decline. This is surely not a hard sell. The pro-growth posture of left-liberals such as Dean Baker and Paul Krugman is transparently ecocidal and is already causing immense suffering and widespread injustice; it cannot long retain its

credibility once a compelling alternative is in place. Conservatives have a worldview based on individual interests. They will switch once they understand that their business ventures are imperiled by the ecological destruction of rampant expansion, and that contractionism leaves the door open for private production through modified capitalist logic. Conservatives also have a sound historical reason to turn away from capitalist growth. Although it is rarely acknowledged today, many conservatives were originally landowners who were both threatened and appalled by the manufacturing upsurge. Of the books on my shelves, the most vitriolic denunciations of capitalism are found not in the works of Marx or Lenin, but in *The Portable Conservative Reader* (1982). One example: "The world of industrial progress is a world of disinherited beings, cut off from the deepest sources of human satisfaction, restless and jangled, driven by unstilled cravings through a course of life without meaning or direction."¹⁵ How long will it take before true conservatives realize just how thoroughly capitalism has perverted their ancient commitments? How long before they seek a return to the soil and organic communities they once cherished?

To answer the initial question, the agents of a contractionary revolution are likely to be progressives who have abandoned left-wing politics to more rationally serve the common good, and conservatives who have abandoned right-wing politics to embrace modified capitalist logic or to assert the principles of original conservatism. It is very difficult to predict who will respond more quickly or more effectively. My progressive stance leads me to bias this group, but if conservatives can adjust rationally to a degrading world and avoid the lure of fascism, they could well end up leading the contractionary charge.

The tasks of contractionists are to first dissolve capitalist power and then to establish a contractionary economy. Leaders in each country and region are responsible for the strategy to achieve these ends in their particular circumstances, but a strategic approach can be offered based on the above discussion. Recall that power derives from legitimacy and coercion, and that legitimacy is manufactured in two ways: meeting popular interests and manipulating people through propaganda, deception, and fear. Although the manipulations are undoubtedly important, revolutionary change will in most cases hinge on the populace's perception of its interests. Under capitalism, these are defined as increased consumption - a higher "standard of living" - for the individual and his or her family. A broader interpretation of human welfare, plus the fate of future generations and the environment, are largely ignored. So long as this definition remains fixed in the popular mind, no transformative change is possible. The key to a contractionary revolution is therefore to

redefine popular interests - to convince people that their genuine interests are adequate consumption, life-affirming work, and a relatively intact biosphere for their descendants. More succinctly, contractionary leaders must convince people that the economic aim should be to *maximize long-term well-being instead of short-term consumption*.

If we are to make this strategic approach work, we must be prepared to answer the inevitable challenge from our expansionary opponents: "Your definition of popular interests is clearly wrong, and ours is clearly right - just watch how people actually behave." The answer is two-fold. First, people's actions are the result of both human nature and social conditioning. After 500 years of capitalism, it is impossible to know the degree to which each is responsible for current consumption behavior, or what the potential for post-capitalist behavior might be. Second, and more fundamentally, a contractionary revolution is not about winning an argument with our opponents, but about realizing our vision and imposing our will. It took time and bloodshed to establish the capitalist proposition that the populace supports rapidly increased production. It may take time and bloodshed to establish the contractionary proposition that the populace supports sustainable well-being. The central question is this: given the appropriate theory, leadership, and events, will a sufficient number of people support our revolution? If the answer is yes, we will be "right" about their genuine interests. If the answer is no, we will be "wrong". From the political perspective there is no other criterion. As Mikhail Gorbachev once noted: "... history will put everything in its place."¹⁶

My next topic is the revolutionary process, which refers to the various activities that contractionists might employ in their political struggles. Given the proximity of critical thresholds, this process must be marked by extraordinary urgency. Unlike past revolutions, which could mature over decades, a contractionary revolution is a desperate attempt to wrest economic control from disaster-bound capitalists in order to divert the economy onto a safe track. This transfer of control requires extensive engagement by the populace, not only to lend credibility to contractionary efforts but also to mold it into a revolutionary force. As Leon Trotsky pointed out after the Russian Revolution, the people have for centuries been under the heel of other classes, resulting in a lack of political self-confidence that only revolutionary involvement can overcome.¹⁷

Contractionary leaders will no doubt utilize a wide range of activities to achieve their ends. Here I would like to briefly examine just two of these: revolutionary activism and contractionary secession. *Revolutionary activism* refers to activism that is primarily intended to advance the contractionary cause. For example, although contractionists should

participate in demonstrations against the Alberta tar sands, they should emphasize that the project is irrational based on ENL concepts and would not even be considered by a contractionary society. Besides such defensive initiatives, revolutionary activism could go on the offensive. Contractionists could, for instance, mobilize for the broader use of alternative energy because this would lower the environmental cost of production and decrease the rates of resource depletion. In both the defensive and the offensive cases, the main aims would be to publicize the human and ecological rationality of ENL logic and to highlight the promise of a contractionary economy.

Contractionary secession is intended to address the likely fact that some parts of a country will adopt contractionism more quickly than others. Rather than waiting for an entire country to reach a uniform level of maturity, it will sometimes make sense for an advanced region to transform itself into an independent entity. This has several advantages: it quickly reduces humankind's ecological impact, it provides a test bed for social innovations such as local currency schemes, and it could initiate a cascade of seceding regions that may force the entire nation to move in the contractionary direction. Among the disadvantages of secession are that it isolates the advanced region, leaving it vulnerable to economic sabotage and political retaliation, and it could act as a safety valve that reduces the pressure on the country as a whole to make the contractionary shift. Ernest Callenbach's novels *Ecotopia* (1975)¹⁸ and *Ecotopia Emerging* (1981)¹⁹ provide an excellent introduction to the broader idea of ecological secession.

When the revolutionary process has decisively shifted legitimacy from capitalists to contractionists, leaders must choose the appropriate time to seize power. This should be seen not as a rash or even a courageous act, but as the political formalization of profound changes that have already occurred in people's hearts and minds. For contractionary leaders, the greatest sin would be to balk at the decisive moment, to forgo a perhaps irreplaceable opportunity to obey the popular will and to shift the economy onto a sustainable path. In practical terms, seizing power means that leaders will publicly declare that they now constitute a society's ruling group. If their judgment about the legitimacy shift is correct, a critical mass will honor this declaration, and the transfer of power will have succeeded.

What will happen after contractionists gain power? The sequence of events will vary according to circumstances, but a likely pattern can be surmised. The initial period will be one of intense political conflict. The capitalist class will attempt a counter-revolution. Other capitalist countries, fearing a parallel fate, will invade or threaten to invade. If the revolution is to survive, contractionary power must be consolidated

through suppression of the capitalist media and widespread mobilization of the armed populace. Aside from resisting external forces, the most critical task will be to subdue active resistance within the police and the military, and then to convert the capitalist state into a contractionary state. Once power has been consolidated, social reconstruction can begin. The first step will be to adopt a contractionary constitution, which will specify the core principles of the emerging society. Representative democracy will be revived as soon as the political situation stabilizes, and restrictions on the media will be loosened once they abandon their counter-revolutionary propaganda. On the economic front, the production of outputs that provide few benefits but that cause high ecological impact will be curtailed or prohibited. Strict advertising restrictions will be implemented. The legal status of firms will be modified to eliminate their political influence and to end the dominant role of profits in determining economic outcomes. To protect workers during rapid contraction, laws will be passed and institutions will be developed that permit the available work to be equitably shared. By degrees, through pain and struggle, a contractionary society will be born and sustainable well-being will become an achievable goal.

One of the main impediments to revolutionary change is the fear that emotions will erupt during the struggle for power, resulting in abuses that destroy human dignity and cause unnecessary suffering. The longer-term worry is that the principles driving the revolution will be abandoned, thereby ushering in a period of tyrannical rule. These concerns are historically justified and must be addressed. Given that most recent revolutions have been socialist in nature, it is especially important to distinguish between socialism and contractionism on these matters.

The most important factor is contractionism's full acknowledgment of biological human nature. Karl Marx made a horrific blunder by equating human nature with social relations, thereby repudiating the deeply ingrained tendencies arising from several million years of hominid and human evolution. This error, which socialists have blindly and disastrously applied, is here categorically rejected. Contractionism sides with moral philosopher Peter Singer: "It is time for the left to take seriously the fact that we are evolved animals, and that we bear the evidence of our inheritance, not only in our anatomy and our DNA, but in our behavior too. In other words it is time to develop a Darwinian left."²⁰ This acceptance of human nature is what leads contractionism to adopt the

principle of contractionary conservatism. As mentioned, this states that existing social and economic arrangements should be altered only to the extent that this is necessary to achieve contractionary aims. Our movement recognizes that people are naturally resistant to change, and that many characteristics of capitalist societies arise not from the system's dynamics, but from the inherent traits of human beings. As such they must be respected and preserved.

Almost as significant is the fact that contractionism is based on an explicit economic logic. Whether this turns out to be my ENL proposal or something else, it will likely be included in the constitutions of contractionary societies, thereby committing future leaders to its implementation. This is a crucial difference from socialism, which has never developed an independent framework, but has instead trusted its leaders to modify capitalist logic in accordance with working-class interests. Even with the best of intentions, this approach can lead to a divergence from its original purpose; with evil intentions, it will fatten the elite while starving the laboring majority.

Another crucial factor is that contractionism, while rejecting capitalist logic for economic guidance, does not demonize the system itself. As noted, this means that its institutions can be reshaped for contractionary purposes, and its logic can be optionally used for economic coordination. In addition, it means that capitalism's accomplishments in non-economic areas can be objectively evaluated and selectively retained. Among the most admirable of these are its legal guarantees: due process, habeas corpus, freedom of thought and assembly, etc. Although these rights regularly come under attack when profits are threatened, they serve as a model to be emulated in the contractionary future. The absence of demonization also shields the capitalists themselves from the excesses of popular rancor. To the extent that they repudiate their expansionism, they will likely ensure their personal safety during the revolutionary struggle and be accepted into contractionary society after their political defeat.

The main enemies of the contractionary movement are clearly the expansionists: capitalists and their allies. Besides these obvious political opponents, the movement faces two major impediments among its potential supporters - the initiatives collectively known as green reformism and the attitude of fatalism. Before wrapping up this summary I would like to address these additional obstacles.

Green reformism refers to support for changes that reduce capitalism's ecological impact ("green") while retaining the system and its guiding logic ("reformism"). There are numerous initiatives that match this description, including standard environmentalism, ecological economics, and the efforts of individuals like Bill McKibben, Richard Heinberg, Gus Speth, and Naomi Klein. Green reformism's main attraction is that it allows people to express their environmental concerns while avoiding a revolutionary challenge to the prevailing order.

Taken at face value - as a sincere attempt to reverse overshoot - green reformism is guilty of serious strategic errors. The first and most basic of these is its refusal to objectively assess capitalism, allowing practitioners to sidestep the now-obvious conclusion that the system is ecocidal and must be historically superseded. Starting from this core blunder, they proceed to numerous smaller errors. One of these is the inclusive we - the widespread verbal fallacy of lumping everyone together, thereby extinguishing the critical distinction between expansionists and contractionists. Another is the *reformist fallacy* - the almost comical idea that the system can be substantially transformed by people who lack political power and economic control. Based on this fallacy, countless well-meaning and accomplished people are concocting progressive schemes for energy, transportation, agriculture, and more - virtually all of which are destined to expire on the Procrustean bed of capitalist logic. The last error to be mentioned here is the notion that, given sufficient political will, governments have the capacity to solve climate change and put the world on the path to sustainability. This position can be maintained only by those who are ensnared in the democratic illusion and who therefore fail to see that today's governments are not autonomous decision-makers, but visible outcroppings of capitalist power.

It is doubtful, however, that green reformism should be taken at face value. As the ecological crisis has deepened, expansionists have become increasingly concerned about a revolutionary response. As a result they have put growing emphasis on diverting such tendencies into non-threatening channels. This points to green reformism's hidden political role: it stamps out revolutionary sparks through such methods as funneling university students into technically-oriented environmental programs, drawing progressive economic thinkers into the shallow waters of ecological economics, and enticing activist leaders with the bangle of government agreements. As well, much of green reformism has probably been infiltrated by intelligence agencies. Carl Bernstein pointed out decades ago that the US media has been deeply infiltrated by the CIA. Given this history and the massive expansion of internal surveillance since the false-flag 9/11 operation, it would be miraculous if green reformism

were not profoundly compromised as well. I have no evidence linking any of the above-mentioned initiatives or individuals with the world of intelligence, but keen skepticism is surely warranted when they balefully warn about impending environmental doom and then offer policy-oriented solutions that keep the expansionists firmly in power. Let me now address second obstacle.

Ecological events are a two-edged sword. On one hand they are necessary to galvanize the populace and to facilitate the legitimacy shift from capitalists to contractionists. On the other hand they can drive concerned individuals towards fatalistic despair about the future, thereby undermining their revolutionary potential. Three points must be made to minimize the latter possibility. The first pertains to the nature of ecological decline itself. The scientific world cannot at present tell us precisely where the biosphere stands with respect to critical thresholds. Perhaps it has passed such a point and is now in terminal collapse towards a Venus-like Earth. Perhaps, even though such a point has been passed, a new environmental equilibrium awaits, and the biosphere has begun a non-terminal collapse. In that case the next stop will be not Venus, but a severely degraded version of the pre-industrial Earth. And perhaps it has not passed such a point at all, and much of the living world can still be salvaged through decisive human action. Given this uncertainty, fatalism is not a reasonable posture. The second point relates to the probability of success in reversing overshoot. For example, the next scientific study to appear could convincingly demonstrate that the chance of averting catastrophic climate change is less than one percent even if greenhouse gas emissions immediately plummet. This is undoubtedly daunting, but most people would readily confront far greater odds to preserve their own life or the lives of their family members. It strikes me as irrational to courageously accept this limited challenge but to despair when the living world itself is at stake. The last point concerns the relationship between contractionary revolution and collapse. Even if the biosphere has passed a critical threshold, ENL logic will be useful for managing the collapse process, possibly preventing anarchy and substantially reducing human suffering. In brief, contractionary revolution is the rational choice for concerned humankind under all circumstances. In the absence of collapse it can help avert disaster, and fatalism is a poor excuse for avoiding it. If collapse is inevitable or under way, it can mitigate the decline, and fatalism is irrelevant.

The following summarizes contractionism as succinctly as possible:

Humankind is a successful biological species that has for thousands of years gradually expanded its planetary presence. With the advent of capitalism in the 16th century this expansion accelerated sharply, pushing the biosphere into overshoot and threatening both our own survival and that of non-human species. The root cause of this acceleration is capitalism's economic logic, which generates growth without providing rational oversight. The system's institutions, such as money and markets, play supportive roles and are not responsible for the crisis. To salvage the biosphere, overshoot must be quickly reversed through rapid contraction - a dramatic reduction in the global economy's output rate. The transitional process to accomplish this is called organic change, which entails the replacement of capitalism's logic for guiding purposes and the evolution of its various institutions. This process, however, runs counter to the interests of the capitalist class, which holds political power in the rich countries where rapid contraction is most urgently required. This class must therefore be removed from power, which means that reversing overshoot is a revolutionary task. Contractionary revolutions can be achieved by progressives and conservatives who understand that humankind's unique predicament has invalidated traditional political alignments. The key prerequisite will be to break the taboo that currently keeps the topics of power and revolution beyond the boundary of permissible thought. The core strategy will be to redefine popular interests: from the maximization of short-term consumption to the maximization of long-term well-being.

I have one last thought. What confuses many intelligent people about the way forward is the recent ideological struggle between capitalism and socialism. This intense conflict has led them to defend capitalism with undue fervor and to see socialism as the only possible alternative. To gain a wider perspective I have found it helpful to think of socialism as a historical detour - a brave, understandable, but misconceived attempt to shift control of hyper-expansion from capitalists to workers. This detour has now ended, and history thus returns to its main road: the feudal past, the capitalist present, and the contractionary future. Or, in economic terms: capitalism's reaction to feudalism's inadequate production, and contractionism's reaction to capitalism's irrational production. The fate of the biosphere may well depend on the capacity of potential contractionary leaders to swiftly achieve this historical reorientation.

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NOTES

- ¹ For the data and calculation behind this estimate, see Chapter One, endnote 4.
- ² William R. Catton, Jr., *Overshoot: The Ecological Basis of Revolutionary Change* (1980).
- ³ Richard Heinberg, *The Party's Over: Oil, War and the Fate of Industrial Societies* (Gabriola Island: New Society Publishers, 2005), 196.
- ⁴ "Arctic ice shrinks 18% against record, sounding climate change alarm bells", John Vidal, *The Guardian*, Sept. 19, 2012. To underscore how quickly scientific understanding on this subject is changing, my text statement is already obsolete as I make the final edits to this book. A report in *Geophysical Research Letters* revealed that the volume of Arctic sea ice decreased by a full 80% since 1980. See "Scientists Confirm: Arctic Sea Ice 'Collapse' at Our Door", February 15, 2013, commondreams.org.
- ⁵ "Too late for two degrees? Low carbon economy index 2012": study by PricewaterhouseCoopers, November, 2012.
- ⁶ "A Reconciled Estimate of Ice-Sheet Mass Balance". *Science* - <http://www.sciencemag.org/content/338/6111/1183>.
- ⁷ David Wasdell video. See YouTube: "Catastrophic Climate Change & Runaway Global Warming".
- ⁸ The first three editions (2007 - 2010) were titled *Needs and Limits: A New Economics for Sustainable Well-being*. Instead of a fourth edition under this title, I have retitled the book *The Economics of Needs and Limits* (2013).
- ⁹ John Ruskin, *The Works of Ruskin* (London: George Allen & Sons, 1907). This includes both *Unto This Last* and *Munera Pulveris*.
- ¹⁰ Walter Lippmann, *Public Opinion* (Mineola: Dover Publications, 1922), 143.
- ¹¹ Slavoj Žižek, *Living in the End Times* (London: Verso, 2011), 450.
- ¹² Russ Baker, *Family of Secrets: The Bush Dynasty, America's Invisible Government, and the Hidden History of the Last Fifty Years* (New York: Bloomsbury Press, 2009), 493.
- ¹³ This was the headline of the *Vancouver Sun's* B section on June 7, 2012: "**Earth near point of no return, scientists warn**". The explanatory text underneath read, "Effects of civilization on planet threaten collapse of ecosystems in 50 years - with no going back." The article outlined a paper that appeared in the scientific journal *Nature* (June 7, 2012): "Approaching a state shift in Earth's biosphere" by Anthony D. Barnosky et al.
- ¹⁴ Karl Marx and Frederick Engels, "Manifesto of the Communist Party", in Karl Marx and Frederick Engels, *Selected Works, Vol. 2* (Moscow: Progress Publishers, 1969), 120.
- ¹⁵ Russell Kirk, ed., *The Portable Conservative Reader* (New York: The Viking Press, 182), 540.
- ¹⁶ Mikhail Gorbachev, *Perestroika: New Thinking for Our Country and the World* (New York: Harper & Row, 1987), 37.
- ¹⁷ Leon Trotsky, "The Russian Revolution" in *The Essential Trotsky*, 88.

¹⁸ Ernest Callenbach, *Ecotopia: The Notebooks and Reports of William Weston* (New York: Bantam Books), 1975.

¹⁹ Ernest Callenbach, *Ecotopia Emerging* (Berkeley: Banyan Tree Books), 1981.

²⁰ Peter Singer, *A Darwinian Left: Politics, evolution, and cooperation* (New Haven: Yale University Press, 1999), 6.