

# Ecological Economics and the Challenges for Economists on the Left<sup>1</sup>

*RICARDO ABRAMOVAY (INTERVIEW)*

**F**OR SOCIOLOGIST Ricardo Abramovay, the crisis requires more than questioning the proposals of the right or left; rather, it creates a “need to reconsider the relationship between society and nature.” This relationship between the economy, society and nature, he maintains, “takes place in an evolutionary manner, raising unprecedented and unpredictable challenges that go far beyond the idea that planned social control of the larger means of production and exchange can provide what is most important in an emancipatory project.”

Dedicated to research on biofuels, socio-environmental sustainability and incentive mechanisms underlying public anti-poverty policies, Abramovay defends a coordinated integration between society and nature within a single analytical structure. He affirms that many economists on the left fail to consider this fact and ignore the environmental debate, since they are concerned more with the idea “that it is necessary to intervene to guarantee better growth and distribution of income.”

In an interview conducted by e-mail with *IHU On-Line*, the economics professor of the University of São Paulo (USP) argues that the current challenge “is to construct a set of proposals capable of making the valorization and sustainable use of biodiversity the basis for a new mode of producing and distributing wealth.” To be effective, “this needs to be done within a framework for strengthening of democracy and for working within democratic institutions, and not just as a special manifestation of certain national cultures and of certain ethnicities.”

Ricardo Abramovay has a Master’s Degree in Political Science from the University of São Paulo (USP), a doctorate in Social Sciences from Unicamp, and post-doctoral studies at the *École des Hautes Études* in Social Sciences at the *Fondation Nationale des Sciences Politiques*, in Paris. He is coordinator of the Socio-environmental Economics Center, a researcher of Fapesp and CNPq and organizer of the book *Biocombustíveis: a energia da controvérsia* [Biofuels: the energy of controversy] (Senac, 2009). He participates in the Research Program in Rural Territorial Dynamics of the Latin American Rural Development Center (Rimisp).

*IHU On-Line – What is your proposal for transforming the material and energy bases from which, as you say, the extraordinary increase of income of the contemporary world has been squeezed?*

**Ricardo Abramovay** – The contemporary capitalist system has an extraordinary capacity to reduce absolute poverty. In 1970 hunger affected nothing less than

37% of the world population. The current level of one billion people with hunger (evidently unacceptable from any perspective) corresponds to nearly 18% of the world's inhabitants. In the past ten years, the proportion of those who live with less than one thousand dollars a year or US\$2.75 per day (calculated on purchasing power parity) fell from 30% to 17% of the global population, according to a recent Goldman Sachs report. In Brazil over the past five years, it has become commonplace to recognize that close to 20 million people moved to the next level above the one they had occupied in the social pyramid. Even with the current crisis, these trends will not be reversed. This largely explains why there is pressure to see that goals related to global warming should not be limited to countries historically responsible for the current climate changes, but must also be assumed by the most prosperous among the developing countries.

### **Clay Feet**

This prosperity has clay feet in two senses. First, even if in countries such as Brazil the decrease in poverty is accompanied by a certain reduction of inequality, this does not appear to be the case in other developing countries (China and India, for example). This increases social tensions to an alarming degree. In addition, it is simply not possible to extend to all of humanity the average levels of today's consumption. In 2000, it was estimated that in 2007 there would be 600 million cars in the world, and in 2030 nothing less than 1.2 billion automobiles. Well, in 2006 there were already 956 million and the current estimate is for two billion by 2030! So there are two elements that begin to become clear from this information. They are not the proposals of any individual or entity, but, in the first instance, part of a broad, diffuse, and decentralized movement. The first is the growing social pressure towards a change in the energy matrix that characterizes contemporary societies. The second goes farther: it involves the very standards of consumption that mark the world today. Countless international documents and national reports find that the pattern of consumption of contemporary societies is unsustainable. But it must be recognized that no one knows exactly how to change the patterns of consumption of a society, particularly when the aspirations for consumption are so high after centuries of poverty.

*IHU On-Line – What are the proposals of the left in light of the international crisis?*

**Ricardo Abramovay** – First, it would be necessary to know precisely of whom we are speaking when we talk about “the left.” For many, the position

of the left consists basically in defending the idea that heterodox measures are needed -- as well as greater intervention of the State -- to guarantee a return to economic growth. Nevertheless, there is an increasing number of voices around the world that do not link the current crisis simply to deregulation. These voices seek to establish some type of link between recent events and the totally unsustainable consumption level in the contemporary world. They insist, for example, that once we have reached a certain level of material abundance, the ability for economic growth to assure well-being becomes reduced. The great British sociologist Anthony Giddens has recently published a book emphasizing the growing gap between the increase in wealth and the real satisfaction of human needs. This is a return to the thinking of Marx in one respect: once a society has become capable of controlling rationally the use of its resources, it would be strange for Marx to think that the central objective is simply economic growth. To the contrary, overcoming capitalism was, for Marx, a form of overcoming the predominance of economic rationality itself. [The goal] is to submit material production to social needs and not the contrary, as occurs in capitalism. More important than knowing if they are “on the left” or not, what calls attention is the convergence around the need to rethink the relationship between society and nature contained in a tremendous quantity of recent studies by authors linked to a wide variety of intellectual currents. I mention only three examples in addition to Giddens: Thomas Homer-Dixon (*The Upside of Down*), Jonathon Porritt (*Capitalism as if the World Matters*) and the recently released book by Thomas L. Friedman (*Hot, Flat and Crowded*). These are other authors capable of making proposals whose execution would revolutionize the material bases of contemporary society and whose classification in the political game board as being left or right would be completely artificial.

*IHU On-Line – How has the left dealt with the issue of energy and the economy? Do you believe that the left has still not perceived the existing relationship between these two issues?*

**Ricardo Abramovay** – I would like to present my opposition to two very common ideas in relation to what is called “the left.” The first is that there is no difference between the left and right. Of course there is. The belief that the allocation of social resources would be better if there were less conscious and voluntary intervention in their organization is typical of thinking of “the right.” And the idea that human intelligence is capable of responding creatively to give meaning to what people do in their material life is one of the most important humanist traces that mark the formation of Marx since his celebrated “Economic and Philosophic Manuscripts” of 1844. There is no doubt that Marx exercised very strong influence on some of the most innovative contemporary thinkers, such as Amartya Sen, John Kenneth Galbraith or on the criticism that André Gorz makes of the “productivism” that marks current society. The second idea that I would like to oppose, is that environmental and energy questions are foreign to Marx’s horizon. On the one hand, it is true that in his principal works

the limit of capital is capital itself, and never nature. It is also true that matter and energy only enter Marx's study of capitalism to the degree that they are converted into values. Nevertheless, Marx recognized that labor is not the only source of wealth and for this reason he showed that production for production's sake, or the increase of wealth as a goal independent of real satisfaction of human needs, can only occur in a system in which individuals are increasingly alienated, distant from what they do and what they produce. In a certain way (from an accepting perspective rather than one as critical as that of Marx), Max Weber also insists on this important point in *The Protestant Ethic and the Spirit of Capitalism*. But it was Georgescu-Roegen and his disciple Herman Daly who show that the principal limit of economic science is in the fact that it can only deal with matter and energy in the form of the prices of that which is bought and sold. The most important renovation of contemporary social sciences, in this regard, is in the effort to integrate society and nature in an organically articulated manner within the same analytical structure: this is what the current ecological economics does and what many leftist economists, concerned only with the idea that it is necessary to intervene to guarantee higher growth and better distribution of income, solemnly ignore.

*IHU On-Line – Some specialists divide the left into two: those in power, represented by governments, and those who believe in “eco-socialism,” represented mostly by the social movements. How does this left which is concerned with the ecological debate use this issue to come to power, thus projecting a new model of government? Do you see advances in this direction?*

**Ricardo Abramovay** – Perhaps the real division is not between being in power and being in social movements. Carlos Minc has not abandoned his “ecolibertarian” position since he became Minister of the Environment. The advance of contemporary democracy has allowed the unprecedented expression of social movements to come to power in various countries. The trajectory of Barack Obama, in this sense, is notable: he was a militant linked to some of the most important U.S. social movements. Evo Morales and Rafael Correa also express important social movements, as does Lula. The new constitutions of Bolivia and Ecuador incorporate fundamental demands of these movements.

### **Exercising Power**

There are, however, two problems the solution of which is still not clear, in this sense. The first is that (with impressive frequency) the universal, generous, emancipatory character of many aspirations of social movements are converted into petty, corporatist and antidemocratic modalities for satisfying the needs of certain groups. The recent attack on the rights of opinion in Ecuador (denounced by important members of the left in that country) and the extrapolation of indigenous rights in expressions against whites in Bolivia, are, in this sense, of great concern. They are situations in which democratic institutions, and democracy itself, far from being affirmed as universal rights, come to be seen,

in a disturbing manner, as expressions of the so-called dominant culture that would be taken away by the supposedly popular power and culture. Allow me to cite a portion of an important recent book by Alain Touraine, *New Paradigm for Understanding Today's World*, Polity Press 2007): [Should be compared to the original English text] “It can happen that social movements degenerate to the point where they are transformed into their opposite – communitarian assertion, rejection of those who are foreign or different, violence against minorities or against what is called heresy or schisms. This happens when collective action is defined by the particular identity or assets that it defends, not by reference to a universal value; and for this reference to emerge, the first condition is that the actor or combatant recognize in another this ascension in direction of the universal that he feels in itself. When the national liberation movement becomes nationalism, when the class struggle is reduced to corporativism, when feminism is limited to the suppression of inequalities between men and women, they stop being social movements and succumb to an obsession with identity.”

The second problem with the recent advance of the social movements in various parts of the world is in the weakness and the inconsistency of the very project itself around which power is then organized. At the root of these projects you can (sometimes) find the illusion that economic growth and massive policies for transfer of wealth are the keys to confronting the problems of the contemporary world. Our greatest challenge is in the construction of a set of proposals capable of recognizing the importance of the sustainable use of biodiversity as the base for a new mode of producing and distributing wealth. This needs to be done in the framework of strengthening of democracy, with respect for democratic institutions, and not as a special manifestation of certain national cultures and of certain ethnicities.

These two problems are developed in a precarious manner by the social movements, whether or not they are in power.

*IHU On-Line – What is missing for the left to advance in the economic, ecological and social realm? Is it possible, at this time of crisis, to think of a new leftist and revolutionary project? Has the time come to think of a profound practical and theoretical revolution?*

**Ricardo Abramovay** – Without a doubt: this renovation is underway, which does not mean that it will necessarily be successful. The expression “new leftist, revolutionary project” in my mind, is counterproductive and stimulates exactly the worst of the social movements: the idea that they need to characterize themselves by permanent and radical differentiation from forces that are not part of their immediate universe. The result of this is the frequent discourses that affirm that landless farm worker settlements, communities of descendants of escaped slaves, people living along rivers in the Amazon, people of the forest, and small-scale family farmers can be expected to unite to promote radical changes. There is no doubt that these are decisive actors; nevertheless, a project for change in the manner of organizing the relationship between nature and society also

involves decisive transformations in business organization. And, as the work of André Gorz clearly demonstrates, it is no longer possible to imagine that these transformations will occur from the expropriation of companies by popular power and from central planning. One of the most important challenges for a project of social change today is in the forms of understanding and of intervening in the market itself. Markets are not the science fiction presented in economic texts. Markets are social structures; and, for that reason, they function on the basis of social pressure. One of the greatest challenges for the popular forces (which many social movements already understand and from which they draw very interesting consequences) consists in actively participating in this process of business reorganization, and not concentrating their demands solely on government. Our challenge is not only to circumscribe, delimit, and impede the extrapolation of the market towards the domains of social life which should not be under its control. It is also, and in an increasingly decisive manner, to create a process in which the social movements are protagonists of the way in which the very markets are structured.

*IHU On-Line – Gorz was one of the first to prophesize the crisis of employment and call attention to the important distinction between work and employment. Do you believe that the crisis is an opportunity to strengthen Gorz's proposals on increasing the appreciation of the value of work?*

**Ricardo Abramovay** – Certainly. The Brazilian income transfer programs have a very important role in this direction. There is a strong indication that one of their principal consequences is the elimination of activities that only exist because they are supported by degraded forms for the utilization and remuneration of labor. Today, in the Brazilian Northeast, people are no longer required to work for a plate of food, and this is very positive. The public transfers of income are embryonic modalities of what Gorz, in a pioneer manner, and later Rifkin and Van Parijs would call citizen's income. The challenge is to have these transfers allow strengthening of local societies, the forms of social interaction that are not strictly supported in salaried work and in the market. But also, the transfers of income can and should give way to the formation of dynamic markets linked to local social life. There is a new and very important phenomenon in these local markets which is the junction between the fact that people live (in a healthy manner) increasingly longer, and they work for ever shorter periods of their lives. When they retire, many do not want to stay where they were during their economically active lives, and they decide to return to their regions of origin or go to areas without the problems of the metropolitan concentrations. Part of the return-migration in direction to the Brazilian Northeast between 1990 and 2000 has its roots in this process. These people with citizen's income are at the origin of an economic dynamism marked not by globalized competition and the offer of highly sophisticated industrial goods, but rather by the satisfaction of local needs, linked potentially to the increased appreciation for the value of culture, biodiversity, restoration, adventure sports, tourism, quality agricultural

production and assistance to the elderly. These are non-globalized mercantile economic activities that can only be exercised in an environment marked by the appreciation of the value of the best of society: its natural attributes, the professional qualifications of its residents and the construction of social relations of proximity different from those in large cities.

*IHU On-Line – Some say that this is the right moment to put an end to capitalism. Others defend its reformulation., What do you believe is the proper direction?*

**Ricardo Abramovay** – If “putting an end to capitalism” is to expropriate the large companies and substitute central planning for the market, then I would like to know what today are the political forces that clearly express this project to society? And if it is not this, then we are closer to what you call a “reformulation.” Even if it involves a growing segment of companies whose control is exercised directly by the workers in a regime of self-management, the fact that the market operates as a mechanism for allocation of social resources and that the survival of companies depends on their efficiency in competitive markets means that business organization has a capitalist character. But it is essential that this recognition does not give way to a conformist position under which the market is a black box that is opaque, invisible and inaccessible to social pressure. On the contrary, the way that companies and the market are organized, depends, in the first place, on what the organized forces of society can do to them. In this sense, the reformulation is not a trivial task to which we must conform because of the impossibility of putting an end to capitalism. The relationship between the economy, society and nature is evolutionary, raising unprecedented and unpredictable challenges that go far beyond the idea that social and planned control of the larger means of production and exchange synthesizes what is most important in an emancipatory project. This may make the political and civilizing challenges that lie ahead of us more difficult, but certainly very interesting.

## Notes

- 1 Translation of an interview by Patrícia Fachin, first published in the weekly magazine *IHU On-Line* (ano IX, n.287, March 30, 2009), of the Instituto Humanitas Unisinos (IHU), University of the Rio dos Sinos Valley (Unisinos) (RS).

Ricardo Abramovay: @ – [abramov@usp.br](mailto:abramov@usp.br) / [www.econ.fea.usp.br/abramovay/](http://www.econ.fea.usp.br/abramovay/)

Translated by Jeffrey Hoff. The original in Portuguese is available at [http://www.scielo.br/scielo.php?script=sci\\_issuetoc&pid=0103-401420090002&lng=pt&nrm=iso](http://www.scielo.br/scielo.php?script=sci_issuetoc&pid=0103-401420090002&lng=pt&nrm=iso).