Nathan Surendran - Submission to the Southland Water and Land Consultation process.

I would like to speak to my submission. Available online at http://bit.ly/2alGtmF

The Water and Land Plan appears reasonable if you accept the assumptions that underpin it. An examination of these assumptions however, leads to some substantial questions. However, the underlying logic of GDP growth cannot continue, and will affect the Plan's implementation. Planning for community resilience as part of our Water and Land policy should be included.

The draft plan pays some regard to Te Mana o te Wai, but only pays lip service to the concept of kinship between the land and the people who inhabit it, Kaitiakitanga. Maori tradition and practice, as with most successful indigenous cultures, appear to be centered around this understanding of ecological limits. It developed through a period where we could not cheat those limits temporarily through drawing down on a one-time inheritance or 'stock' of fossilised sunlight in the form of coal, oil, gas. Contrast that with the economic 'understanding' we operate mostly within, that developed in a period that is historically aberrant in terms of the sheer quantity of energy the industrial revolution unlocked for our use, which led to the obviously false idea that economic growth in GDP can be continued in perpetuity.

From the Preamble, the key to understanding the setting for this plan is to consider the following statement:

“Southland also has a diverse range of highly productive land uses that contribute to the region’s prosperity and will likely for the foundation of further growth and expansion. The ongoing intensification of land use, both urban and rural, brings challenges to the environment (including people), particularly in terms of maintaining those natural qualities of importance”

The religious faith in the shibboleth of ‘Growth’ evident in the Preamble statement quoted is anti-scientific and is not a sound basis for policy making. The issues that the Water and Land Plan specifically, and the Resource Management Act in a general sense seek to address, are symptomatic. Their cause is a particular model of civilisation, based on the dogma of growth, founded in the quasi-religious belief in neo-liberal economic presuppositions, that given the fundamental environmental limits we face, has no future. In my 2015 submission to the Venture Southland Draft Annual Plan (bit.ly/1FVidRK) I made this point thus:

The major problem with Growth is that it is only possible when we're not hitting limits in Energy or Ecological terms. And it's apparent from my research, which forms the basis of my submissions to date, that this is unfortunately the case. As such, the economy must operate within the limits of the Available Energy, and the Planetary Ecosystems as per the diagram to the left (adapted from 'Strong Sustainability for Aotearoa' bit.ly/ssanz_whatis – see also the 5 part series 'Creating Tomorrow' by Dr Wayne Cartwright: bit.ly/1pKHXZx)
As described in Sept 2015 by the risk professionals ‘Lloyds’, mirroring the points I made in my submissions earlier in the year, the biggest threat to the New Zealand Economy is economic dysfunction. Lloyds identify a Stock Market crash (bit.ly/1iR76on), but I also identified economic disruption as occurring due to other factors which may manifest in a ‘crash’ (bit.ly/1Pwxl1U).

Specifically, the expansion in the monetary supply since the 1970’s has led to the current situation with unrepayable levels of debt in many parts of our globalised financial system. “Total public and private debt levels have reached a record 275pc of GDP in rich countries, and 175pc in emerging markets. Both are up 30 points since the Lehman crisis” (bit.ly/2aG2ngt). We have already witnessed the first salvoes building towards a global reset of overextended credit markets, experienced locally as an approximate 10% drop in regional GDP due to depressed commodity prices since that point.

Combine this with the OECD obsession with ‘efficiency’ as a way to improve productivity / reduce pollution. This obsession has led to a systemic ‘brittleness’ or lack of resilience in our globalised supply chains whereby many ‘single points of failure’ exist. It has been identified (bit.ly/1ips07m) that this could easily lead to a rapid breakdown in the systems that support our ‘lean’ modern economy.

This risk is multiplied by the ongoing story of resource depletion, particularly energy reserves. Ever more geologically dispersed and therefore more expensive (in energy and capital terms) resources are essential to the global economy. Their increasing ‘per unit’ extraction and processing needs are sucking more productive capacity from the rest of the economy (bit.ly/1qEorV1). It is a fundamental physical fact that underlying each unit of GDP is energy expenditure. As gross energy supply has stagnated and net energy supply (excluding energy extraction activities) has started to shrink, GDP must shrink with it (bit.ly/2aF8vxS). The dynamics of the complex energy supply system means that the decline is likely to be much steeper than the incline (bit.ly/2aHWXIE).

As Charles Hall has explained, the ‘Energy Return On Investment’ (EROI) of different fuels means they are not substitutable (stanford.io/1yifuq). The implications for society as we try to wean ourselves off ‘the good stuff’ - high EROI oil as liquid fuel for transport in particular - are challenging to face, but not facing them is not optional.

I have not really even touched on the implications of climate change and the other planetary boundaries that science has described (bit.ly/1U8Xq6l). The reality is that the conservative projections of climate change by the IPCC have been consistently exceeded, and that the scale of these changes in the past 12 months has left scientists issuing increasingly strident warnings about the risks (bit.ly/2ajbwBH, bit.ly/2a9dkjn, bit.ly/2aAaEtp). The need for change is obvious.

The good news in this regard is that the change already locked in from the systemic economic dysfunction and resource depletion curves I have outlined above means we have no choice but to change.
The simple question is, are we going to await some level of global collapse before trying to respond, or are we going to proactively enact a radical simplification of our economy, and attempt to create a resilient community fit for the challenges and constraints of this century?

Using an alternative set of baseline assumptions, based on the facts of the situation that I have outlined above, implies some fundamentally different things in response to the situation. A worthwhile response would move us in the direction of a society as summarised in 'The Simpler Way', a vision of how the future could be, if we choose to move in that direction. We cannot achieve a sustainable and just world order unless we change to:

- Simpler lifestyles, much less production and consumption, much less concern with luxury, affluence, possessions and wealth.
- Small, highly self-sufficient local economies, largely independent of the global economy.
- More cooperative and participatory ways, enabling people in small communities to take control of their own development.
- A new economy, one not driven by profit or market forces, and a zero-growth or steady-state overall economy, which produces much less than the present economy.
- Some very different values, especially cooperation not competition, and frugality and self-sufficiency not acquisitiveness and consuming.

*The Simpler Way is about ensuring a very high quality of life for all without anywhere near as much production, consumption, exporting, investment, resource use, environmental damage, work etc. as there is now. There are many rich alternative sources of satisfaction other than material acquisition and consuming. Consider having much time for arts and crafts and personal growth, living in a rich and supportive community, having to go to work for money only two days a week, living in a diverse and productive leisure-rich landscape, having socially worthwhile and enjoyable work with no fear of unemployment...and knowing you are not contributing to global problems. There is no need to sacrifice modern technology to achieve these benefits. ([bit.ly/29hAoNP](https://bit.ly/29hAoNP)).*

When considering the change in perspective required for this to be an acceptable proposal to the region’s population, I have come across the following ‘reframing’ of the story we tell ourselves that I believe should guide the development of a new policy direction:

*“Story for a Dying Earth”: Sacred money and markets: time is money.*

*Time is money. Money is wealth. Making money creates wealth and is a defining purpose of individuals, business, and the economy. Those who make money are society’s wealth creators. Affluent lifestyles are their fair and just reward for their effort and contribution. Material consumption is the path to happiness. Poverty is a consequence of laziness.*
We humans are by nature individualistic competitors. This is a blessing, because the invisible hand of the free market channels our individual and corporate competitive drive for financial gain to choices that maximize economic growth and thereby the wealth and well-being of all.

Corporations aggregate the talents and interests of people working together to provide the essential jobs, goods, and services that create a better life for all. A corporation’s profits are the measure of its social contribution. As corporations create wealth, governments consume it.

The functions of government should be limited to assuring the common defense, securing property rights, and enforcing contracts. Economic inequality and environmental damage are a regrettable but necessary and unavoidable cost of the economic growth that is essential to eliminate poverty and to drive technological innovation needed to free us from our dependence on nature.

“Story for a Living Earth”: Sacred life and living: time is life.

We humans are living beings born of and nurtured by a Living Earth. Real wealth is living wealth. Time is life. Money is just a number useful as a medium of exchange in well-regulated markets. Life exists only in community. We humans are creatures of conscience who survive and prosper only as members of a Living Earth community. The prime task of any living community is to maintain the conditions essential to the life of its members. We all do best when we all do well in a world that works for all.

A connection to nature and community is essential to our physical and mental health and well-being. It is our nature to care and share for the benefit of all. Individualistic greed, ruthless competition, and violence against life are indicators of serious individual and social dysfunction. The economy’s assault against Earth’s capacity to support life and its drive to grow the gap between rich and poor indicates terminal system failure.

The purpose of human institutions—whether business, government, or civil society—is to provide all people with the opportunity to make a healthy, meaningful living in a balanced co-productive relationship with Earth’s community of life.

Corporations that seek to monopolize resources and decision-making power in the pursuit of purely financial ends unburdened by the exercise of human conscience have no place in a healthy society. Human institutions are human creations. That which humans create, humans can change. Environmental sustainability, economic justice, and a living democracy are inseparable. We have all of them, or we have none of them.
Korton suggests that the “Story for a Dying Earth”: Sacred Money and Markets is closest to the hearts of most “democratic” governments by encapsulating the philosophy of neoliberal free market economics. In many respects, neoliberal free market economics has more of the attributes of a religion than a science. Adam Smith recognised that a truly free market is a myth. Free trade in child labour, plutonium, or heroin would be unacceptable to most people. All markets are not only constructed and regulated but are also manipulated. Behind the faith in a (mythical) free market is an ideology that the so-called invisible hand will optimally match supply and demand. No politician or economist has ever explained its workings.

How might this guide policy and governance of the Land, Air and Water commons that we all must share...? One fundamental change that seems obvious in light of the above, is that we need to work policy to effect change to the way we farm and order our economic affairs, rather than just managing their effects.

An obvious place to start is Agroecology (bit.ly/2aqqEDc). This body of knowledge could potentially reconfigure our existing farming systems in a way that lowers inputs, controlling costs and pollution in the short term. This will also create resilience that is needed in light of the alarming trends that are being witnessed in our ecosystems. A win-win situation.

What I am suggesting is emphatically not abandoning the old (it is already in the process of abandoning us), as it’s clearly impossible to do so immediately. There are enough people already engaged through the council’s, SoRDS, and other industry led initiatives, in trying to sustain the status quo. This is important work, and it hopefully gives us time to prepare for what is coming.

However, we urgently need to be putting significant productive resource into what comes next. In order to do this, we will have to fundamentally reshape our existing budget commitments to free up capacity for creating an intentionally better future.

We have the potential to be a world center for education in agro-ecological temperate climate farming, if we move now. France, for example, recently enacted a law mandating the next generation of farmers be trained in this body of knowledge (bit.ly/1KQ34qA). Moreover, it is the type of education that would still attract long stay visitors to the region as students, as long haul air travel for shorter stays comes under increasing scrutiny for its environmental impacts, as is currently the case in the USA (bit.ly/2aF8vOf).

Additionally, the economic arrangements at the regional and local level need to be examined carefully. The fundamental question ‘why is there so much debt’ needs careful consideration, and before too many more of our farmers are driven to suicide by a combination of financial, compliance and climate related stresses, we should move to support them. Our basic needs as a community therefore should be met substantially from within the region, and this presents another significant opportunity to diversify our economy.
There are many other aspects to a positive ‘resilience building’ exercise that could be explored. The ‘6 Foundations of Community Resilience’ report that I referenced in my 2016 submission to Venture Southland (Page 11 here: bit.ly/1s4HpoQ) is a good starting point.

Our economy is fundamentally unsustainable in the medium term (for the reasons I describe above). In this context, trying through the proposed Water and Land Plan, to regulate and control the long term impacts on water quality, making it less economically sustainable in the short term, would appear to be ‘actively maladaptive’ at best.

The idea that something like business as usual will persist out to 2025 (and the completion of the proposed FMU limit setting exercise) is highly questionable given the evidence of the scale of economic and energy system changes probable in that period. For a comprehensive overview of the risks, I recommend the 2013 report for the Institute and Faculty of Actuaries, “Resource constraints: sharing a finite world. The evidence and scenarios for the future” (bit.ly/1q0yMLa).

An energy constrained future is necessarily more local, and we will be required to lead more from the local level. If the central government dictates that attempt to impose generic solutions on us are not fit for purpose, they can and should be challenged robustly, and potentially ignored. The recent Southland challenge to the proposed Better Local Services Bill led by Southland councils is a good example of this actually happening (bit.ly/2akleUm). It should not end there.

The future from this point forward will not continue along a linear projection from the past, and the sooner Southland’s regional and territorial authorities accept this basic fact, and start setting policy accordingly, the better the outcomes for our local communities.

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