

Institutions in Crisis

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The key concepts that I wish to discuss in relation to this topic are: the management of human activities, the free market, the stewardship of nature and sustainable development.

The first thing one has to realise is that institutions have not been in existence for very long. Until quite recently, most of the functions that they fulfil were fulfilled by families and communities. Historically, we have moved from a world which consisted of families and communities living in loose societies to a world made up of institutions and corporations, and this has involved a massive change in everything that happens on our planet.

It is clear to me that by their very nature institutions have a number of failings. The first has been pointed out by Roy Rappaport, the anthropologist at Michigan university. He refers to them as single purpose organisations, whereas the families and communities they have supplanted are multi-purpose. When the latter undertook economic and other activities, they sought to satisfy a host of biological, religious, social and ecological requirements essential for maintaining their integrity and stability. In contrast institutions, by their very nature, are largely concerned with assuring their own immediate interests.

In the field of agriculture this can be illustrated by a consideration of rice growing in Sri Lanka and India. In the past around 400 varieties of rice were grown in Sri Lanka and about 30,000 varieties in India. Special varieties were considered suitable for different people and occasions, for example for pregnant women, men who worked in the fields, the clergy, special feasts and wet and dry climates. In other words, the aim of the rice producing communities was to satisfy a host of different, quite subtle requirements. Today, agriculture, controlled as it is by big companies that sell the inputs and by big companies (often the same ones) that buy the produce, process and market it, is geared specifically to cutting costs and increasing yields. As pressure to do this increases, the other varieties tend to disappear.

Another example of a community in which agriculture satisfies more than one purpose has been observed by Peter Huber, an anthropologist studying the Angkor tribe in New Guinea. He has pointed out that their agricultural system does not just produce food, it also produces social organisation. Maintaining the cohesion of their society is seen as being just as important as producing food.

The second problem with institutions is usually referred to as goal displacement. An institution may start off with the desire to solve a particular problem but all too easily it gets diverted. It finds that, in order to survive, it must increase its power and influence and this inevitably becomes its overriding goal. It has to adopt procedures and seek to achieve ends which are not always reconcilable with its original goal.

A typical example is the FAO, the Food and Agriculture Organisation of the United Nations, which I have looked at in some detail. Clearly the original goal of the FAO was to feed the world's population but at the moment its activities are probably helping us to do exactly the opposite. The FAO is funded by many different governments, which have very different priorities. They are much more interested in selling the inputs that their industries produce, such as fertilisers and pesticides, and helping their engineering companies to build dams and selling turbines for them. This means that the FAO is condemned to promoting high-input agriculture, which cannot feed the world.

This type of agriculture works against the FAO's aims in three ways. Firstly, where it is imposed, small farmers cannot afford it and are forced out of business and into the slums of the big cities. In India alone, maybe 20 million people are being forced into the slums as a result of development programmes which include agriculture and big irrigation schemes. Secondly, these countries are forced to export the food they produce because they must earn the foreign exchange with which to pay the interest on the loans that they have contracted in order to build the dams and the fertiliser factories, and to import the pesticides. Much of the good land in the countries that adopt this high-input agriculture is therefore used for exports, and there is very little land left for feeding local people. Although India is 'self sufficient' in food, 85 % of the children suffer from malnutrition because the people who are hungry do not have any money and cannot exert effective demand. Thirdly of course, the soil in the Third World usually has a lower organic content than it does in temperate areas and is subject to greater strain because the rains all come at once, so the soil is rapidly turned into dust as is happening in the Punjab

and Haryana and other places where the Green Revolution promoted by the FAO has been adopted. All these things prevent the FAO from achieving its original goal, and it cannot do otherwise or it would not be allowed to exist.

Examples of goal displacement can be found in other institutions, for example the same thing happens with the World Bank which claims repeatedly that its main goal is to fight poverty in the Third World. In reality, to stay in office the World Bank must lend a great deal of money, 23 billion dollars, which is very difficult to do. This means that it must look for massive schemes, such as large dams, to support. Such massive schemes are almost always very destructive, both environmentally and socially. Moreover, the World Bank is 'procurement' driven, and is only tolerated by the Republicans who control Congress because it provides contracts for American industrialists who seek to expand their businesses into the Third World. Having to satisfy industry, chambers of commerce and the US Congress makes the World Bank's original goal very difficult to achieve. Goal displacement is very difficult for large institutions to avoid.

The third problem with institutions is that they tend to be dominated by transnational corporations which are becoming ever more powerful, especially now that we have ratified the Gatt Uruguay Round agreement and set up a global economy. Many of our institutions, such as the Ministry of Agriculture and Fisheries in Britain and the USDA in America, are largely dominated by the agro-chemical industry. The World Health Organisation is also now largely dominated by industry - in this case by the pharmaceutical industry, and the World Trade Organisation by transnationals of all sorts. These institutions, despite their initial goals, become committed to the policy that satisfies the priority of the transnational corporations, which is maximising trade and reducing costs on an increasingly global level, regardless of its consequences.

The fourth problem with institutions is that human activities are of a sort that cannot be managed by them. I see families and communities as 'natural' social groupings. We evolved as integral parts of families and communities, and it is only at the level of these social groupings that the activities required to maintain human survival can be properly fulfilled. Thus it is only the family that is remotely capable of properly bringing up our children and assuring the early stages of their education. The idea that an institution, however sophisticated, can replace the family is preposterous. Mr Newt Gingrich has said that children from one-parent families should be removed from their parent and consigned to an institution. This is like suggesting that the best thing to do with a man with only one leg is to remove that one too. It is also easy to show that the only device that has ever worked for controlling crime is the pressure of public opinion at the community level, reflecting traditional values and amply fed by malicious gossip, where everyone knows each other. Once the community has disintegrated, it is impossible to control crime and to maintain social order. I believe that in America there are now one and a half million people behind bars, but this has not made it any safer to walk the streets of the South Bronx or Detroit. Similarly, effective population control is only possible via strategies built into the cultural pattern of traditional societies and imposed at a community level. Once these communities disintegrate under the impact of development, institutions cannot replace them. Institutionalised family planning is largely irrelevant. I also believe that democratic government is only possible at the community level, that the human community, the *Gemeinschaft*, is the correct unit of democratic government. I do not believe that it is possible to have real democracy in an atomised and anonymous society, such as we have today.

These four fundamental problems with institutions tend to rule out, for me, the notion that they can ensure the stewardship of nature. To think that the atomised society of the modern world is capable of ensuring any sort of stewardship seems to me an even more utopian idea.

To those who believe that the establishment of a free market has created a level playing field for Third World countries, I would object that there are no such things as a free market or a level playing field. Forty to fifty per cent of the market for any of the major commodities, such as tea, coffee, sugar, cotton, aeroplanes and others is in the hands of five large companies, and with the GATT agreements now signed this can only increase. Anyone who wished to compete with these large corporations, which already control so much of the market, would have very little chance of winning. Moreover, access to the products sold on the market is only available to those who can exert effective demand for them, that is to say those whose needs are backed by hard cash. In fact, it could be said that the market is a device for transferring resources from those who have no money to those who do have money. Of course, future generations do not exert any effective demand, nor does the natural world, so the free

market totally ignores the requirements of future generations, the natural world, and the world's poor. It cannot possibly be a means of distributing resources in an equitable and sustainable manner. Finally, I do not believe that sustainable development is possible, I see it as a contradiction in terms. We cannot increase development any further, for it must mean increasing the impact of our activities on the environment, and the environment cannot even sustain the present impact. We need to develop a sustainable society which does not involve increasing this impact, which means a society which has much in common with the traditional societies of old, one whose religion, among other things, was embedded in society, in the natural world and in the cosmos itself, and thereby served to sanctify their critical structure. Such a society, of course, must be made up of families organised into largely autonomous communities and its economy must be embedded with these key social units, catering for a relatively local market. One of our challenges today is to recreate local economies of this sort, which are the only ones that could possibly satisfy all our social, ecological and, indeed, economic requirements in a sustainable manner.