

The Idea of a Local Economy

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Let us begin by assuming what appears to be true: that the so-called "environmental crisis" is now pretty well established as a fact of our age. The problems of pollution, species extinction, loss of wilderness, loss of farmland, loss of topsoil may still be ignored or scoffed at, but they are not denied. Concern for these problems has acquired a certain standing, a measure of discussability, in the media and in some scientific, academic, and religious institutions.

This is good, of course; obviously, we can't hope to solve these problems without an increase of public awareness and concern. But in an age burdened with "publicity," we have to be aware also that as issues rise into popularity they rise also into the danger of oversimplification. To speak of this danger is especially necessary in confronting the destructiveness of our relationship to nature, which is the result, in the first place, of gross oversimplification.

The "environmental crisis" has happened because the human household or economy is in conflict at almost every point with the household of nature. We have built our household on the assumption that the natural household is simple and can be simply used. We have assumed increasingly over the last five hundred years that nature is merely a supply of "raw materials," and that we may safely possess those materials merely by taking them. This taking, as our technical means have increased, has involved always less reverence or respect, less gratitude, less local knowledge, and less skill. Our methodologies of land use have strayed from our old sympathetic attempts to imitate natural processes, and have come more and more to resemble the methodology of mining, even as mining itself has become more technologically powerful and more brutal.

And so we will be wrong if we attempt to correct what we perceive as "environmental" problems without correcting the economic oversimplification that caused them. This oversimplification is now either a matter of corporate behavior or of behavior under the influence of corporate behavior. This is sufficiently clear to many of us. What is not sufficiently clear, perhaps to any of us, is the extent of our complicity, as individuals and especially as individual consumers, in the behavior of the corporations.

What has happened is that most people in our country, and apparently most people in the "developed" world, have given proxies to the corporations to produce and provide all of their food, clothing, and shelter. Moreover, they are rapidly giving proxies to corporations or governments to provide entertainment, education, child care, care of the sick and the elderly, and many other kinds of "service" that once were carried on informally and inexpensively by individuals or households or communities. Our major economic practice, in short, is to delegate the practice to others.

The danger now is that those who are concerned will believe that the solution to the "environmental crisis" can be merely political - that the problems, being large, can be solved by large solutions generated by a few people to whom we will give our proxies to police the economic proxies that we have already given. The danger, in other words, is that people will think they have made a sufficient change if they have altered their "values," or had a "change of heart," or experienced a "spiritual awakening," and that such a change in passive consumers will cause appropriate changes in the public experts,

politicians, and corporate executives to whom they have granted their political and economic proxies.

The trouble with this is that a proper concern for nature and our use of nature must be practiced not by our proxy-holders, but by ourselves. A change of heart or of values without a practice is only another pointless luxury of a passively consumptive way of life. The "environmental crisis," in fact, can be solved only if people, individually and in their communities, recover responsibility for their thoughtlessly given proxies. If people begin the effort to take back into their own power a significant portion of their economic responsibility, then their inevitable first discovery is that the "environmental crisis" is no such thing; it is not a crisis of our environs or surroundings; it is a crisis of our lives as individuals, as family members, as community members, and as citizens. We have an "environmental crisis" because we have consented to an economy in which by eating, drinking, working, resting, traveling, and enjoying ourselves we are destroying the natural, the god-given world.

We live, as we must sooner or later recognize, in an era of sentimental economics and, consequently, of sentimental politics. Sentimental communism holds in effect that everybody and everything should suffer for the good of "the many" who, though miserable in the present, will be happy in the future for exactly the same reasons that they are miserable in the present.

Sentimental capitalism is not so different from sentimental communism as the corporate and political powers claim. Sentimental capitalism holds in effect that everything small, local, private, personal, natural, good, and beautiful must be sacrificed in the interest of the "free market" and the great corporations, which will bring unprecedented security and happiness to "the many" - in, of course, the future.

These forms of political economy may be described as sentimental because they depend absolutely upon a political faith for which there is no justification, and because they issue a cold check on the virtue of political and/or economic rulers. They seek, that is, to preserve the gullibility of the people by appealing to a fund of political virtue that does not exist. Communism and "free-market" capitalism both are modern versions of oligarchy. In their propaganda, both justify violent means by good ends, which always are put beyond reach by the violence of the means. The trick is to define the end vaguely - "the greatest good of the greatest number" or "the benefit of the many" - and keep it at a distance.

The fraudulence of these oligarchic forms of economy is in their principle of displacing whatever good they recognize (as well as their debts) from the present to the future. Their success depends upon persuading people, first, that whatever they have now is no good, and second, that the promised good is certain to be achieved in the future. This obviously contradicts the principle - common, I believe, to all the religious traditions - that if ever we are going to do good to one another, then the time to do it is now; we are to receive no reward for promising to do it in the future. And both communism and capitalism have found such principles to be a great embarrassment. If you are presently occupied in destroying every good thing in sight in order to do good in the future, it is inconvenient to have people saying things like "Love thy neighbor as thyself" or "Sentient beings are numberless, I vow to save them." Communists and capitalists alike, "liberal" and "conservative" capitalists alike, have needed to replace religion with some form of determinism, so that they can say to their victims, "I am doing this because I

can't do otherwise. It is not my fault. It is inevitable." The wonder is how often organized religion has gone along with this lie.

The idea of an economy based upon several kinds of ruin may seem a contradiction in terms, but in fact such an economy is possible, as we see. It is possible however, on one implacable condition: the only future good that it assuredly leads to is that it will destroy itself. And how does it disguise this outcome from its subjects, its short-term beneficiaries, and its victims? It does so by false accounting. It substitutes for the real economy, by which we build and maintain (or do not maintain) our household, a symbolic economy of money, which in the long run, because of the self-interested manipulations of the "controlling interests," cannot symbolize or account for anything but itself. And so we have before us the spectacle of unprecedented "prosperity" and "economic growth" in a land of degraded farms, forests, ecosystems, and watersheds, polluted air, failing families, and perishing communities.

This moral and economic absurdity exists for the sake of the allegedly "free" market, the single principle of which is this: commodities will be produced wherever they can be produced at the lowest cost, and consumed wherever they will bring the highest price. To make too cheap and sell too high has always been the program of industrial capitalism. The idea of the global "free market" is merely capitalism's so-far-successful attempt to enlarge the geographic scope of its greed, and moreover to give to its greed the status of a "right" within its presumptive territory. The global "free market" is free to the corporations precisely because it dissolves the boundaries of the old national colonialisms, and replaces them with a new colonialism without restraints or boundaries. It is pretty much as if all the rabbits have now been forbidden to have holes, thereby "freeing" the hounds.

The "right" of a corporation to exercise its economic power without restraint is construed, by the partisans of the "free market," as a form of freedom, a political liberty implied presumably by the right of individual citizens to own and use property.

But the "free market" idea introduces into government a sanction of an inequality that is not implicit in any idea of democratic liberty: namely that the "free market" is freest to those who have the most money, and is not free at all to those with little or no money. Wal-Mart, for example, as a large corporation "freely" competing against local, privately owned businesses has virtually all the freedom, and its small competitors virtually none.

To make too cheap and sell too high, there are two requirements. One is that you must have a lot of consumers with surplus money and unlimited wants. For the time being, there are plenty of these consumers in the "developed" countries. The problem, for the time being easily solved, is simply to keep them relatively affluent and dependent on purchased supplies.

The other requirement is that the market for labor and raw materials should remain depressed relative to the market for retail commodities. This means that the supply of workers should exceed demand, and that the land-using economy should be allowed or encouraged to overproduce.

To keep the cost of labor low, it is necessary first to entice or force country people everywhere in the world to move into the cities - in the manner prescribed by the United States' Committee for Economic Development after World War II - and second, to continue to introduce labor-replacing technology. In this way it is possible to maintain a

"pool" of people who are in the threatening position of being mere consumers, landless and also poor, and who therefore are eager to go to work for low wages - precisely the condition of migrant farm workers in the United States.

To cause the land-using economies to overproduce is even simpler. The farmers and other workers in the world's land-using economies, by and large, are not organized. They are therefore unable to control production in order to secure just prices. Individual producers must go individually to the market and take for their produce simply whatever they are paid. They have no power to bargain or make demands. Increasingly, they must sell, not to neighbors or to neighboring towns and cities, but to large and remote corporations. There is no competition among the buyers (supposing there is more than one), who are organized, and are "free" to exploit the advantage of low prices. Low prices encourage overproduction as producers attempt to make up their losses "on volume," and overproduction inevitably makes for low prices. The land-using economies thus spiral downward as the money economy of the exploiters spirals upward. If economic attrition in the land-using population becomes so severe as to threaten production, then governments can subsidize production without production controls, which necessarily will encourage overproduction, which will lower prices - and so the subsidy to rural producers becomes, in effect, a subsidy to the purchasing corporations. In the land-using economies production is further cheapened by destroying, with low prices and low standards of quality, the cultural imperatives for good work and land stewardship.

This sort of exploitation, long familiar in the foreign and domestic economies and the colonialism of modern nations, has now become "the global economy," which is the property of a few supranational corporations. The economic theory used to justify the global economy in its "free market" version is again perfectly groundless and sentimental. The idea is that what is good for the corporations will sooner or later - though not of course immediately - be good for everybody.

That sentimentality is based in turn, upon a fantasy: the proposition that the great corporations, in "freely" competing with one another for raw materials, labor, and marketshare, will drive each other indefinitely, not only toward greater "efficiencies" of manufacture, but also toward higher bids for raw materials and labor and lower prices to consumers. As a result, all the world's people will be economically secure - in the future. It would be hard to object to such a proposition if only it were true.

But one knows, in the first place, that "efficiency" in manufacture always means reducing labor costs by replacing workers with cheaper workers or with machines.

In the second place, the "law of competition" does not imply that many competitors will compete indefinitely. The law of competition is a simple paradox: Competition destroys competition. The law of competition implies that many competitors, competing on the "free market" will ultimately and inevitably reduce the number of competitors to one. The law of competition, in short, is the law of war.

In the third place, the global economy is based upon cheap long-distance transportation, without which it is not possible to move goods from the point of cheapest origin to the point of highest sale. And cheap long-distance transportation is the basis of the idea that regions and nations should abandon any measure of economic self-sufficiency in order to specialize in production for export of the few commodities or the single commodity that can be most cheaply produced. Whatever may be said for the

"efficiency" of such a system, its result (and I assume, its purpose) is to destroy local production capacities, local diversity, and local economic independence.

This idea of a global "free market" economy, despite its obvious moral flaws and its dangerous practical weaknesses, is now the ruling orthodoxy of the age. Its propaganda is subscribed to and distributed by most political leaders, editorial writers, and other "opinion makers." The powers that be, while continuing to budget huge sums for "national defense," have apparently abandoned any idea of national or local self-sufficiency, even in food. They also have given up the idea that a national or local government might justly place restraints upon economic activity in order to protect its land and its people.

The global economy is now institutionalized in the World Trade Organization, which was set up, without election anywhere, to rule international trade on behalf of the "free market" - which is to say on behalf of the supranational corporations - and to overrule, in secret sessions, any national or regional law that conflicts with the "free market." The corporate program of global free trade and the presence of the World Trade Organization have legitimized extreme forms of expert thought. We are told confidently that if Kentucky loses its milk-producing capacity to Wisconsin, that will be a "success story." Experts such as Stephen C. Blank, of the University of California, Davis, have proposed that "developed" countries, such as the United States and the United Kingdom, where food can no longer be produced cheaply enough, should give up agriculture altogether.

The folly at the root of this foolish economy began with the idea that a corporation should be regarded, legally, as "a person." But the limitless destructiveness of this economy comes about precisely because a corporation is not a person. A corporation, essentially, is a pile of money to which a number of persons have sold their moral allegiance. As such, unlike a person, a corporation does not age. It does not arrive, as most persons finally do, at a realization of the shortness and smallness of human lives; it does not come to see the future as the lifetime of the children and grandchildren of anybody in particular. It can experience no personal hope or remorse, no change of heart. It cannot humble itself. It goes about its business as if it were immortal, with the single purpose of becoming a bigger pile of money. The stockholders essentially are usurers, people who "let their money work for them," expecting high pay in return for causing others to work for low pay. The World Trade Organization enlarges the old idea of the corporation-as-person by giving the global corporate economy the status of a super government with the power to overrule nations. I don't mean to say, of course, that all corporate executives and stockholders are bad people. I am only saying that all of them are very seriously implicated in a bad economy.

Unsurprisingly, among people who wish to preserve things other than money - for instance, every region's native capacity to produce essential goods - there is a growing perception that the global "free market" economy is inherently an enemy to the natural world, to human health and freedom, to industrial workers, and to farmers and others in the land-use economies; and furthermore, that it is inherently an enemy to good work and good economic practice. I believe that this perception is correct and that it can be shown to be correct merely by listing the assumptions implicit in the idea that corporations should be "free" to buy low and sell high in the world at large. These assumptions, so far as I can make them out, are as follows:

That stable and preserving relationships among people, places, and things do not matter and are of no worth.

That cultures and religions have no legitimate practical or economic concerns.

That there is no conflict between the "free market" and political freedom, and no connection between political democracy and economic democracy.

That there can be no conflict between economic advantage and economic justice.

That there is no conflict between greed and ecological or bodily health.

That there is no conflict between self-interest and public service.

That the loss or destruction of the capacity anywhere to produce necessary goods does not matter and involves no cost.

That it is all right for a nation's or a region's subsistence to be foreign based, dependent on long-distance transport, and entirely controlled by corporations.

That, therefore, wars over commodities - our recent Gulf War, for example - are legitimate and permanent economic functions.

That this sort of sanctioned violence is justified also by the predominance of centralized systems of production supply, communications, and transportation, which are extremely vulnerable not only to acts of war between nations, but also to sabotage and terrorism.

That it is all right for poor people in poor countries to work at poor wages to produce goods for export to affluent people in rich countries.

That there is no danger and no cost in the proliferation of exotic pests, weeds, and diseases that accompany international trade and that increase with the volume of trade.

That an economy is a machine, of which people are merely the interchangeable parts. One has no choice but to do the work (if any) that the economy prescribes, and to accept the prescribed wage.

That, therefore, vocation is a dead issue. One does not do the work that one chooses to do because one is called to it by Heaven or by one's natural or god-given abilities, but does instead the work that is determined and imposed by the economy. Any work is all right as long as one gets paid for it.

These assumptions clearly prefigure a condition of total economy. A total economy is one in which everything - "life forms," for instance, or the "right to pollute" - is "private property" and has a price and is for sale. In a total economy significant and sometimes critical choices that once belonged to individuals or communities become the property of corporations. A total economy, operating internationally, necessarily shrinks the powers of state and national governments, not only because those governments have signed over significant powers to an international bureaucracy or because political leaders become the paid hacks of the corporations but also because political processes - and especially democratic processes - are too slow to react to unrestrained economic and technological development on a global scale. And when state and national governments begin to act in effect as agents of the global economy, selling their people for low wages and their people's products for low prices, then the rights and liberties of citizenship must necessarily shrink. A total economy is an unrestrained taking of profits from the disintegration of nations, communities, households, landscapes, and ecosystems. It licenses symbolic or artificial wealth to "grow" by means of the destruction of the real wealth of all the world.

Among the many costs of the total economy, the loss of the principle of vocation is probably the most symptomatic and, from a cultural standpoint, the most critical. It is

by the replacement of vocation with economic determinism that the exterior workings of a total economy destroy the character and culture also from the inside.

In an essay on the origin of civilization in traditional cultures, Ananda K. Coomaraswamy wrote that "the principle of justice is the same throughout...[it is] that each member of the community should perform the task for which he is fitted by nature..." The two ideas, justice and vocation, are inseparable. That is why Coomaraswamy spoke of industrialism as "the mammon of injustice," incompatible with civilization. It is by way of the principle and practice of vocation that sanctity and reverence enter into the human economy. It was thus possible for traditional cultures to conceive that "to work is to pray."

Aware of industrialism's potential for destruction, as well as the considerable political danger of great concentrations of wealth and power in industrial corporations, American leaders developed, and for a while used, the means of limiting and restraining such concentrations, and of somewhat equitably distributing wealth and property. The means were: laws against trusts and monopolies, the principle of collective bargaining, the concept of one-hundred-percent parity between the land-using and the manufacturing economies, and the progressive income tax. And to protect domestic producers and production capacities it is possible for governments to impose tariffs on cheap imported goods. These means are justified by the government's obligation to protect the lives, livelihoods, and freedoms of its citizens. There is, then, no necessity or inevitability requiring our government to sacrifice the livelihoods of our small farmers, small business people, and workers, along with our domestic economic independence to the global "free market." But now all of these means are either weakened or in disuse. The global economy is intended as a means of subverting them.

In default of government protections against the total economy of the supranational corporations, people are where they have been many times before: in danger of losing their economic security and their freedom, both at once. But at the same time the means of defending themselves belongs to them in the form of a venerable principle: powers not exercised by government return to the people. If the government does not propose to protect the lives, livelihoods, and freedoms of its people, then the people must think about protecting themselves.

How are they to protect themselves? There seems, really, to be only one way, and that is to develop and put into practice the idea of a local economy - something that growing numbers of people are now doing. For several good reasons, they are beginning with the idea of a local food economy. People are trying to find ways to shorten the distance between producers and consumers, to make the connections between the two more direct, and to make this local economic activity a benefit to the local community. They are trying to learn to use the consumer economies of local towns and cities to preserve the livelihoods of local farm families and farm communities. They want to use the local economy to give consumers an influence over the kind and quality of their food, and to preserve and enhance the local landscapes. They want to give everybody in the local community a direct, long-term interest in the prosperity, health, and beauty of their homeland. This is the only way presently available to make the total economy less total. It was once, I believe, the only way to make a national or a colonial economy less total. But now the necessity is greater.

I am assuming that there is a valid line of thought leading from the idea of the total economy to the idea of a local economy. I assume that the first thought may be recognition of one's ignorance and vulnerability as a consumer in the total economy. As such a consumer, one does not know the history of the products that one uses. Where, exactly, did they come from? Who produced them?

What toxins were used in their production? What were the human and ecological costs of producing them and then of disposing of them? One sees that such questions cannot be answered easily, and perhaps not at all. Though one is shopping amid an astonishing variety of products, one is denied certain significant choices. In such a state of economic ignorance it is not possible to choose products that were produced locally or with reasonable kindness toward people and toward nature. Nor is it possible for such consumers to influence production for the better. Consumers who feel a prompting toward land stewardship find that in this economy they can have no stewardly practice. To be a consumer in the total economy, one must agree to be totally ignorant, totally passive, and totally dependent on distant supplies and self-interested suppliers.

And then, perhaps, one begins to see from a local point of view. One begins to ask, What is here, what is in me, that can lead to something better? From a local point of view, one can see that a global "free market" economy is possible only if nations and localities accept or ignore the inherent instability of a production economy based on exports and a consumer economy based on imports. An export economy is beyond local influence, and so is an import economy. And cheap long-distance transport is possible only if granted cheap fuel, international peace, control of terrorism, prevention of sabotage, and the solvency of the international economy.

Perhaps one also begins to see the difference between a small local business that must share the fate of the local community and a large absentee corporation that is set up to escape the fate of the local community by ruining the local community.

So far as I can see, the idea of a local economy rests upon only two principles: neighborhood and subsistence. In a viable neighborhood, neighbors ask themselves what they can do or provide for one another, and they find answers that they and their place can afford. This, and nothing else, is the practice of neighborhood. This practice must be, in part, charitable, but it must also be economic, and the economic part must be equitable; there is a significant charity in just prices.

Of course, everything needed locally cannot be produced locally. But a viable neighborhood is a community; and a viable community is made up of neighbors who cherish and protect what they have in common. This is the principle of subsistence. A viable community, like a viable farm, protects its own production capacities. It does not import products that it can produce for itself. And it does not export local products until local needs have been met. The economic products of a viable community are understood either as belonging to the community's subsistence or as surplus, and only the surplus is considered to be marketable abroad. A community, if it is to be viable, cannot think of producing solely for export, and it cannot permit importers to use cheaper labor and goods from other places to destroy the local capacity to produce goods that are needed locally. In charity, moreover, it must refuse to import goods that are produced at the cost of human or ecological degradation elsewhere. This principle applies not just to localities, but to regions and nations as well.

The principles of neighborhood and subsistence will be disparaged by the globalists as "protectionism" - and that is exactly what it is. It is a protectionism that is just and sound, because it protects local producers and is the best assurance of adequate supplies to local consumers. And the idea that local needs should be met first and only surpluses exported does not imply any prejudice against charity toward people in other places or trade with them. The principle of neighborhood at home always implies the principle of charity abroad. And the principle of subsistence is in fact the best guarantee of giveable or marketable surpluses. This kind of protection is not "isolationism."

Albert Schweitzer, who knew well the economic situation in the colonies of Africa, wrote nearly sixty years ago: "Whenever the timber trade is good, permanent famine reigns in the Ogowe region because the villagers abandon their farms to fell as many trees as possible." We should notice especially that the goal of production was "as many...as possible." And Schweitzer makes my point exactly: "These people could achieve true wealth if they could develop their agriculture and trade to meet their own needs." Instead they produced timber for export to "the world economy," which made them dependent upon imported goods that they bought with money earned from their exports. They gave up their local means of subsistence, and imposed the false standard of a foreign demand ("as many trees as possible") upon their forests. They thus became helplessly dependent on an economy over which they had no control. (Cliff's note: See Uganda article in briefs section for another example of this phenomenon.)

Such was the fate of the native people under the African colonialism of Schweitzer's time. Such is, and can only be, the fate of everybody under the global colonialism of our time. Schweitzer's description of the colonial economy of the Ogowe region is in principle not different from the rural economy now in Kentucky or Iowa or Wyoming. A total economy for all practical purposes is a total government. The "free trade," which from the standpoint of the corporate economy brings "unprecedented economic growth," from the standpoint of the land and its local populations, and ultimately from the standpoint of the cities, brings destruction and slavery. Without prosperous local economies, the people have no power and the land no voice.