

from Lester R. Brown, *Eco-Economy: Building an Economy for the Earth*
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Eco-Economy

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ECO-ECONOMY

*Building an Economy
for the Earth*

Lester R. Brown

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This book is printed on recycled paper.

*To Roger and Vicki Sant,
who share the vision*

Acknowledgments

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Writing *Eco-Economy* and launching the Earth Policy Institute during the same year would have been impossible without the help of my assistant of 15 years, Reah Janise Kauffman. As Vice President of the Earth Policy Institute, she took care of endless details in creating the organization—from designing and furnishing the office space to working with Web site designers. With her assuming responsibility for all these matters, I was free to concentrate on the book.

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Shane Ratterman became a member of the Earth Policy team just in time to help supervise the installation of the computer system. He joined the book project in midstream, helping with both research and reviewing the manuscript as we came down the homestretch.

This book is built on some new associations, as with Janet and Shane, and several longstanding relationships. The list of my books that independent editor Linda Starke has edited over the last 20 years includes all but a few of those on the Norton list. She brought her usual efficiency and discipline to the editing of *Eco-Economy*. Apart from her editing skills, Linda's cumulative knowledge of environmental issues proved invaluable.

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Because of its scope, *Eco-Economy* was helped more by reviewers than most books. William Mansfield of our Board brought his many years of experience at the U.N. Environment Programme to bear on the manuscript as he read it at three different stages, helping to shape it along the way. Another EPI Board member, Judy Gradwohl, brought her perspective as a biologist and curator at the Smithsonian Institution to bear on the manuscript as we came down the homestretch. Scott McVay, president of the Chautauqua Institution and also an EPI Board member and enthusiastic supporter of the book, commented on an intermediate draft.

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am grateful. And it goes without saying that I alone am responsible for the final product.

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Lester R. Brown

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Foreword

The idea for this book came to me just over a year ago, shortly after I moved from President to Chairman of the Board of the Worldwatch Institute, an organization I founded in 1974. In this new role and with more time to think, three things became more apparent to me. One, we are losing the war to save the planet. Two, we need a vision of what an environmentally sustainable economy—an eco-economy—would look like. And three, we need a new kind of research organization—one that offers not only a vision of an eco-economy, but also frequent assessments of progress in realizing that vision.

When Worldwatch started 27 years ago, we were worried about shrinking forests, expanding deserts, eroding soils, deteriorating rangelands, and disappearing species. We were just beginning to worry about collapsing fisheries. Now the list of concerns is far longer, including rising carbon dioxide levels, falling water tables, rising temperatures, rivers running dry, stratospheric ozone depletion, more destructive storms, melting glaciers, rising sea level, and dying coral reefs.

Over this last quarter-century or so, many battles have been won, but the gap between what we need to do to arrest the environmental deterioration of the planet and what we are doing continues to widen. Somehow we have to turn the tide.

At present there is no shared vision even within the environmental community, much less in society at large. Unless we have such a vision of where we want to go, we are not likely to get there. The purpose of this book is to outline the vision of an eco-economy.

The good news is that when we started Worldwatch, we knew that an environmentally sustainable economy was possible, but we only had an abstract sense of what it would look like. Today we can actually describe with some confidence not only what it

will look like but how it will work. Twenty-seven years ago, the modern wind power industry had not yet been born. Now, worldwide, we have behind us a phenomenal decade of 24 percent annual growth.

Thanks to the U.S. Department of Energy's National Wind Resources Inventory, we now know that North Dakota, Kansas, and Texas have enough harnessable wind energy to satisfy national electricity needs. In the United States, wind electric generation is projected to grow by more than 60 percent in 2001. With the low-cost electricity that comes from wind turbines, we have the option of electrolyzing water to produce hydrogen, the fuel of choice for the fuel cell engines that every major automobile manufacturer is now working on.

Wind turbines are replacing coal mines in Europe. Denmark, which has banned the construction of coal-fired power plants, now gets 15 percent of its electricity from wind. In some communities in northern Germany, 75 percent of the electricity needs are satisfied by wind power.

A generation ago we knew that silicon cells could convert sunlight into electricity, but the solar roofing material developed in Japan that enables rooftops to become the power plants of buildings was still in the future. Today more than 1 million homes worldwide get their electricity from solar cells.

Today major corporations are committed to comprehensive recycling, to closing the loop in the materials economy. STMicroelectronics in Italy and Interface in the United States, a leading manufacturer of industrial carpet, are both striving for zero carbon emissions. Shell Hydrogen and DaimlerChrysler are working with Iceland to make it the world's first hydrogen-powered economy.

What became apparent to me in my reflections a year ago was that to achieve these goals, we need a new kind of research institute. Thus in May of this year, with fellow incorporators Reah Janise Kauffman and Janet Larsen, I launched the Earth Policy Institute. *Eco-Economy: Building an Economy for the Earth* is our first book. We have also begun issuing Earth Policy Alerts, four-page pieces dealing with topics such as worldwide wind power development and the dust bowl that is forming in northwest China. These pieces highlight trends that affect our movement toward an

eco-economy.

No one I know is qualified to write a book of this scope. Certainly I am not, but someone has to give it a try. Every chapter could have been a book in its own right. Indeed, individual sections of chapters have been the subject of books. Beyond the range of issues covered, an analysis that integrates across fields of knowledge is not easy, particularly when it embraces ecology and economics—two disciplines that start with contrasting premises.

People appear hungry for a vision, for a sense of how we can reverse the environmental deterioration of the earth. More and more people want to get involved. When I give talks on the state of the world in various countries, the question I am asked most frequently is, What can I do? People recognize the need for action and they want to do something. My response is always that we need to make personal changes, involving everything from using bicycles more and cars less to recycling our daily newspapers. But that in itself will not be enough. We have to change the system. And to do that, we need to restructure the tax system, reducing income taxes and increasing taxes on environmentally destructive activities so that prices reflect the ecological truth. Anyone who wants to reverse the deterioration of the earth will have to work to restructure taxes.

This book is not the final word. It is a work in progress. We will continue to unfold the issues, update the data, and refine the analysis. If you are interested in receiving the four-page Earth Policy Alerts, please visit our Web site at <www.earth-policy.org>, where you can sign up to receive them as they are released.

Our goal is to publish this book in all the world's major languages. In addition to the North American edition, there will also be a U.K./Commonwealth edition designed to reach most of the rest of the English-speaking world. In East Asia, arrangements are already being made for Chinese, Japanese, and Korean editions. We are also working on Italian and Portuguese editions. And we know that EPI Board member Hamid Taravaty from Iran is planning a Persian edition.

This book can be downloaded without charge from our Web site. Permission for reprinting or excerpting portions of the manuscript can be obtained from Reah Janise Kauffman at <rjkauffman@earth-policy.org> or by fax or mail.

We welcome your input in analyzing these issues. If you have any thoughts or recent papers or articles that you would like to share with us, we would be delighted to receive them.

Lester R. Brown

phone: 202.496.9290
fax: 202.496.9325
e-mail: epi@earth-policy.org
Web site: www.earth-policy.org

Earth Policy Institute
1350 Connecticut Ave., NW
Suite 403
Washington, DC 20036

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